



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 809 (as introduced 3-3-20)
Sponsor: Senator Jim Stamas
Committee: Health Policy and Human Services

Date Completed: 6-22-20

CONTENT

The bill would amend the Health Care False Claims Act to modify an exemption to a prohibition against offering or receiving a kickback or bribe in connection with health care goods or services paid for by a health care corporation or health care insurer.

Under Section 4 of the Act, a person who solicits, offers, pays, or receives a kickback or bribe in connection with the furnishing of goods or services for which payment is or may be made by a health care corporation or health care insurer, or who receives a rebate of a fee or charge for referring an individual to another person for the furnishing of health care benefits, is guilty of a felony, punishable by up to four years' imprisonment or by a maximum fine of \$50,000, or both.

The Act specifies that a rebate or discount from a drug manufacturer or from a company that licenses or distributes the drugs of a drug manufacturer to a consumer for the consumer's use of a drug manufactured or licensed or distributed by the drug manufacturer or company does not violate Section 4. Under the bill, a rebate or discount from a drug manufacturer or from a company that licensed or distributed the drugs of a drug manufacturer to *or for the benefit of* a consumer for the *administration or the* consumer's use of a drug manufactured or licensed or distributed by the drug manufacturer or company, *including for consumer cost-sharing requirements for the administration or drug* would not violate Section 4. "Administration" would mean injection, infusion, or similar means of application.

MCL 752.1004a

Legislative Analyst: Jeff Mann

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Joe Carrasco

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