

HOUSE BILL NO. 6002

April 12, 2022, Introduced by Reps. Kuppa, Rabhi, Rogers, Cavanagh, Hood, Stone, Bezotte, Sneller, Steckloff, Weiss, Tyrone Carter, Brabec, Cynthia Johnson, O'Neal, Thanedar, Koleszar, LaGrand, Neeley, Sowerby, Hope, Brixie, Aiyash, Pohutsky, Breen, Haadsma, Lasinski, Morse, Puri, Green, Peterson, Young and Jones and referred to the Committee on Insurance.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending section 3157a (MCL 500.3157a), as added by 2019 PA 21.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3157a. (1) By rendering any treatment, products,
2 services, or accommodations to 1 or more injured persons for an
3 accidental bodily injury covered by personal protection insurance
4 under this chapter after July 1, 2020, a physician, hospital,
5 clinic, or other person is considered to have agreed to do both of
6 the following:

1 (a) Submit necessary records and other information concerning
2 treatment, products, services, or accommodations provided for
3 utilization review under this section.

4 (b) Comply with any decision of the department under this
5 section.

6 (2) A physician, hospital, clinic, or other person or
7 institution that knowingly submits under this section false or
8 misleading records or other information to an insurer, the
9 association created under section 3104, or the department commits a
10 fraudulent insurance act under section 4503.

11 (3) The department shall promulgate rules under the
12 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
13 24.328, to do both of the following:

14 (a) Establish criteria or standards for utilization review
15 that identify utilization of treatment, products, services, or
16 accommodations under this chapter above the usual range of
17 utilization for the treatment, products, services, or
18 accommodations based on medically accepted standards.

19 (b) Provide procedures related to utilization review,
20 including procedures for all of the following:

21 (i) Acquiring necessary records, medical bills, and other
22 information concerning the treatment, products, services, or
23 accommodations provided.

24 (ii) Allowing an insurer to request an explanation for and
25 requiring a physician, hospital, clinic, or other person to explain
26 the necessity or indication for treatment, products, services, or
27 accommodations provided.

28 (iii) Appealing determinations.

29 (4) If a physician, hospital, clinic, or other person provides

1 treatment, products, services, or accommodations under this chapter
2 that are not usually associated with, are longer in duration than,
3 are more frequent than, or extend over a greater number of days
4 than the treatment, products, services, or accommodations usually
5 require for the diagnosis or condition for which the patient is
6 being treated, the insurer or the association created under section
7 3104 may require the physician, hospital, clinic, or other person
8 to explain the necessity or indication for the treatment, products,
9 services, or accommodations in writing under the procedures
10 provided under subsection (3).

11 (5) If an insurer or the association created under section
12 3104 determines that a physician, hospital, clinic, or other person
13 overutilized or otherwise rendered or ordered inappropriate
14 treatment, products, services, or accommodations, or that the cost
15 of the treatment, products, services, or accommodations was
16 inappropriate under this chapter, the physician, hospital, clinic,
17 or other person may appeal the determination to the department
18 under the procedures provided under subsection (3).

19 **(6) In an appeal to the department under rules promulgated as**
20 **provided in this section, an insurer or the association created**
21 **under section 3104 shall not obtain the assistance of or use**
22 **another person to review or evaluate matters relating to the**
23 **appeal.**

24 (7) ~~(6)~~—As used in this section, "utilization review" means
25 the initial evaluation by an insurer or the association created
26 under section 3104 of the appropriateness in terms of both the
27 level and the quality of treatment, products, services, or
28 accommodations provided under this chapter based on medically
29 accepted standards.