

AUTISM COVERAGE REIMBURSEMENT ACT (EXCERPT)
Act 101 of 2012

550.1837 Autism coverage fund; creation within state treasury; investment; credit of interest and earnings; administration of fund by department for auditing purposes; expenditures; reimbursement; insufficient money in fund; notice of insufficient funds; money in fund at close of fiscal year; payment of claim approved under MCL 550.1835; reimbursement to carrier or third party administrator; formula.

Sec. 7.

- (1) The autism coverage fund is created within the state treasury.
- (2) The state treasurer may receive money or other assets from any source for deposit into the fund. The state treasurer shall direct the investment of the fund. The state treasurer shall credit to the fund interest and earnings from fund investments.
- (3) The department is the administrator of the fund for auditing purposes. The department shall expend money from the fund, on appropriation, only for the purpose of creating, operating, and funding the program.
- (4) Except as otherwise provided in subsection (7), the department shall reimburse carriers and third party administrators from the fund in the order in which the applications are approved under the program. If there is insufficient money in the fund to reimburse a carrier or third party administrator for paid claims approved under section 5, reimbursement must not be made. However, applications that are approved but not reimbursed may be paid if revenues of the fund become available.
- (5) The department shall develop and implement a process to notify carriers, third party administrators, and the legislature that funds in this program may be insufficient to cover future claims when the department reasonably believes that within 60 days the funds in the program will be insufficient to pay claims. The process shall, at a minimum, do all of the following:
 - (a) Identify a specific date by which carriers and third party administrators will no longer receive reimbursement for claims submitted to the program.
 - (b) Outline a clear process indicating the order in which claims pending with the program will be paid.
 - (c) Outline a clear process indicating the order in which claims that were pending with the program when funds became insufficient will be paid if funds subsequently become available.
- (6) Money in the fund at the close of the fiscal year shall remain in the fund and shall not lapse to the general fund.
- (7) Subject to subsection (8), from money appropriated to the fund in calendar year 2016, the department shall reimburse a carrier or third party administrator for a paid claim approved under section 5 pursuant to the formula under subsection (8) if the following conditions are met:
 - (a) The carrier or third party administrator submits its application under section 5 before May 1, 2016.
 - (b) The services for which the carrier or third party administrator is seeking reimbursement were provided before January 1, 2016.
 - (c) The department has not already fully reimbursed the carrier or third party administrator for the paid claim.
 - (d) The department approves the paid claim of the carrier or third party administrator before August 1, 2016.
- (8) The department shall reimburse a carrier or third party administrator under subsection (7) pursuant to the following formula:
 - (a) First, divide the money appropriated to the fund in calendar year 2016 by the total paid claims approved under section 5 that meet the conditions under subsection (7).
 - (b) Second, multiply the calculation under subdivision (a) by the amount of the carrier's or third party administrator's paid claims approved under section 5 that meet the conditions of subsection (7).

History: 2012, Act 101, Imd. Eff. Apr. 18, 2012 ;-- Am. 2016, Act 310, Imd. Eff. Oct. 6, 2016

Compiler's Notes: For transfer of autism coverage reimbursement program from department of licensing and regulatory affairs to department of insurance and financial services, see E.R.O. No. 2013-1, compiled at MCL 550.991.