



HOUSE BILL No. 5702

May 2, 2000, Introduced by Reps. Jacobs, Dennis, Woodward, Baird, Martinez, Spade, Schermesser, Mans, Switalski, Brater, Vaughn, Cherry, Schauer, Thomas, Prusi, DeHart, Daniels, Quarles, Brewer, Frank, Pestka, Bob Brown, Reeves, Hardman, Clark, Garza, Gielegem, Basham, Jamnick, Hansen, Clarke, LaForge, Callahan, Hale, Rivet, Scott and Lemmons and referred to the Committee on Insurance and Financial Services.

A bill to amend 1978 PA 368, entitled
"Public health code,"
(MCL 333.1101 to 333.25211) by adding section 21052b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 21052B. (1) IF AN AFFILIATION BETWEEN A PRIMARY CARE
2 PHYSICIAN AND A HEALTH MAINTENANCE ORGANIZATION TERMINATES, THE
3 PHYSICIAN MAY PROVIDE WRITTEN NOTICE OF THIS TERMINATION WITHIN
4 15 DAYS AFTER THE PHYSICIAN BECOMES AWARE OF THE TERMINATION TO
5 EACH ENROLLEE WHO HAS CHOSEN THE PHYSICIAN AS HIS OR HER PRIMARY
6 CARE PHYSICIAN. IF AN ENROLLEE IS IN AN ONGOING COURSE OF TREAT-
7 MENT WITH ANY OTHER PHYSICIAN WHO IS AFFILIATED WITH THE HEALTH
8 MAINTENANCE ORGANIZATION AND THE AFFILIATION BETWEEN THE PHYSI-
9 CIAN AND THE HEALTH MAINTENANCE ORGANIZATION TERMINATES, THE
10 PHYSICIAN MAY PROVIDE WRITTEN NOTICE OF THIS TERMINATION TO THE
11 ENROLLEE WITHIN 15 DAYS AFTER THE PHYSICIAN BECOMES AWARE OF THE

1 TERMINATION. THE NOTICES UNDER THIS SUBSECTION MAY ALSO DESCRIBE
2 THE PROCEDURE FOR CONTINUING CARE UNDER SUBSECTIONS (2) AND (3).

3 (2) IF AN AFFILIATION BETWEEN AN ENROLLEE'S CURRENT PHYSI-
4 CIAN AND A HEALTH MAINTENANCE ORGANIZATION TERMINATES, THE HEALTH
5 MAINTENANCE ORGANIZATION SHALL PERMIT THE ENROLLEE TO CONTINUE AN
6 ONGOING COURSE OF TREATMENT WITH THAT PHYSICIAN AS FOLLOWS:

7 (A) FOR 90 DAYS FROM THE DATE OF NOTICE TO THE ENROLLEE BY
8 THE PHYSICIAN OF THE PHYSICIAN'S TERMINATION WITH THE HEALTH
9 MAINTENANCE ORGANIZATION.

10 (B) IF THE ENROLLEE IS PREGNANT AT THE TIME OF THE
11 PHYSICIAN'S TERMINATION, THROUGH POSTPARTUM CARE DIRECTLY RELATED
12 TO THE PREGNANCY.

13 (C) IF THE ENROLLEE IS DETERMINED TO BE TERMINALLY ILL PRIOR
14 TO A PHYSICIAN'S TERMINATION OR KNOWLEDGE OF THE TERMINATION AND
15 THE PHYSICIAN WAS TREATING THE TERMINAL ILLNESS BEFORE THE DATE
16 OF TERMINATION OR KNOWLEDGE OF THE TERMINATION, FOR THE REMAINDER
17 OF THE ENROLLEE'S LIFE FOR CARE DIRECTLY RELATED TO THE TREATMENT
18 OF THE TERMINAL ILLNESS.

19 (D) IF AN ENROLLEE HAS A SERIOUS CHRONIC ILLNESS PRIOR TO A
20 PHYSICIAN'S TERMINATION OR KNOWLEDGE OF THE TERMINATION AND THE
21 PHYSICIAN WAS TREATING THE SERIOUS CHRONIC ILLNESS BEFORE THE
22 DATE OF TERMINATION OR KNOWLEDGE OF THE TERMINATION, FOR THE
23 REMAINDER OF THE ENROLLEE'S LIFE FOR CARE DIRECTLY RELATED TO THE
24 TREATMENT OF THE SERIOUS CHRONIC ILLNESS.

25 (E) IF AN ENROLLEE IS DIAGNOSED WITH CANCER PRIOR TO A
26 PHYSICIAN'S TERMINATION OR KNOWLEDGE OF THE TERMINATION AND THE
27 PHYSICIAN WAS TREATING THE CANCER BEFORE THE DATE OF TERMINATION

1 OR KNOWLEDGE OF THE TERMINATION, FOR THE REMAINDER OF THE
2 ENROLLEE'S LIFE FOR CARE DIRECTLY RELATED TO THE TREATMENT OF
3 THAT CANCER.

4 (F) IF AN ENROLLEE IS 65 YEARS OLD OR OLDER, FOR THE REMAIN-
5 DER OF THE ENROLLEE'S LIFE.

6 (3) SUBSECTION (2) APPLIES ONLY IF THE PHYSICIAN AGREES TO
7 ALL OF THE FOLLOWING:

8 (A) TO CONTINUE TO RENDER TREATMENT AND TO ACCEPT AS PAYMENT
9 IN FULL REIMBURSEMENT FROM THE HEALTH MAINTENANCE ORGANIZATION AT
10 THE RATES APPLICABLE PRIOR TO THE TERMINATION.

11 (B) TO ADHERE TO THE HEALTH MAINTENANCE ORGANIZATION'S STAN-
12 DARDS FOR MAINTAINING QUALITY HEALTH CARE AND TO PROVIDE TO THE
13 HEALTH MAINTENANCE ORGANIZATION NECESSARY MEDICAL INFORMATION
14 RELATED TO THE CARE.

15 (C) TO OTHERWISE ADHERE TO THE HEALTH MAINTENANCE
16 ORGANIZATION'S POLICIES AND PROCEDURES, INCLUDING, BUT NOT
17 LIMITED TO, THOSE CONCERNING UTILIZATION REVIEW, REFERRALS, PRE-
18 AUTHORIZATIONS, AND TREATMENT PLANS.

19 (4) A HEALTH MAINTENANCE ORGANIZATION SHALL PROVIDE WRITTEN
20 NOTICE TO EACH AFFILIATED PHYSICIAN THAT IF AN AFFILIATION
21 BETWEEN THE PHYSICIAN AND THE HEALTH MAINTENANCE ORGANIZATION
22 TERMINATES, THE PHYSICIAN MAY DO BOTH OF THE FOLLOWING:

23 (A) NOTIFY THE HEALTH MAINTENANCE ORGANIZATION'S ENROLLEES
24 UNDER THE CARE OF THE PHYSICIAN OF THE TERMINATION IF THE PHYSI-
25 CIAN DOES SO WITHIN 15 DAYS AFTER THE PHYSICIAN BECOMES AWARE OF
26 THE TERMINATION.

1 (B) INCLUDE IN THE NOTICE UNDER SUBDIVISION (A) A
2 DESCRIPTION OF THE PROCEDURES FOR CONTINUING CARE UNDER
3 SUBSECTIONS (2) AND (3).

4 (5) THIS SECTION DOES NOT CREATE AN OBLIGATION FOR A HEALTH
5 MAINTENANCE ORGANIZATION TO PROVIDE TO AN ENROLLEE COVERAGE
6 BEYOND THE MAXIMUM COVERAGE LIMITS PERMITTED BY THE HEALTH MAIN-
7 TENANCE ORGANIZATION'S CONTRACT WITH THE ENROLLEE.

8 (6) AS USED IN THIS SECTION:

9 (A) "PHYSICIAN" MEANS AN ALLOPATHIC PHYSICIAN OR OSTEOPATHIC
10 PHYSICIAN OR MENTAL HEALTH PROFESSIONAL.

11 (B) "SERIOUS CHRONIC ILLNESS" MEANS A DISEASE OR CONDITION
12 THAT CAN BE MANAGED, BUT NOT CURED, INCLUDING A SERIOUS MENTAL
13 ILLNESS, AND THAT AFFECTS A PERSON'S GENERAL ABILITY TO LEAD HIS
14 OR HER NORMAL LIFE.

15 (C) "TERMINAL ILLNESS" MEANS THAT TERM AS DEFINED IN SECTION
16 5653.

17 (D) "TERMINATES" OR "TERMINATION" INCLUDES THE NONRENEWAL,
18 EXPIRATION, OR ENDING FOR ANY REASON OF AN AFFILIATION BETWEEN A
19 PHYSICIAN AND A HEALTH MAINTENANCE ORGANIZATION, BUT DOES NOT
20 INCLUDE A TERMINATION BY THE HEALTH MAINTENANCE ORGANIZATION FOR
21 FAILURE TO MEET APPLICABLE QUALITY STANDARDS OR FOR FRAUD.

22 Enacting section 1. This amendatory act takes effect July
23 1, 2000.