

REPRINT

**SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 4486**

(As Passed the Senate October 21, 1999)

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

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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  
11 ] AT THE TIME OF THE PHYSICIAN'S TERMINATION, THROUGH  
12 POSTPARTUM CARE DIRECTLY RELATED 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.

[ (D) IF AN ENROLLEE IS DIAGNOSED WITH CANCER PRIOR TO A  
PHYSICIAN'S TERMINATION OR KNOWLEDGE OF THE TERMINATION AND THE  
PHYSICIAN WAS TREATING THE CANCER BEFORE THE DATE OF TERMINATION OR  
KNOWLEDGE OF THE TERMINATION, FOR THE REMAINDER OF THE ENROLLEE'S  
LIFE FOR CARE DIRECTLY RELATED TO THE TREATMENT OF THAT CANCER.

(E) IF A ENROLLEE IS 65 YEARS OLD OR OLDER, FOR THE REMAINDER  
OF THE ENROLLEE'S LIFE.]

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

21 (A) TO CONTINUE TO RENDER TREATMENT AND TO ACCEPT AS PAYMENT  
22 IN FULL REIMBURSEMENT  
23 FROM THE HEALTH MAINTENANCE ORGANIZATION AT THE RATES APPLICABLE  
24 PRIOR TO THE TERMINATION.

25 (B) TO ADHERE TO THE HEALTH MAINTENANCE ORGANIZATION'S STAN-  
26 DARDS FOR MAINTAINING QUALITY HEALTH CARE AND TO PROVIDE TO THE  
27 HEALTH MAINTENANCE ORGANIZATION NECESSARY MEDICAL INFORMATION  
RELATED TO THE CARE.

1 (C) TO OTHERWISE ADHERE TO THE HEALTH MAINTENANCE  
2 ORGANIZATION'S POLICIES AND PROCEDURES, INCLUDING, BUT NOT  
3 LIMITED TO, THOSE CONCERNING UTILIZATION REVIEW, REFERRALS, PRE-  
4 AUTHORIZATIONS, AND TREATMENT PLANS.

5 (4) A HEALTH MAINTENANCE ORGANIZATION SHALL PROVIDE WRITTEN  
6 NOTICE TO EACH AFFILIATED PHYSICIAN THAT IF AN AFFILIATION  
7 BETWEEN THE PHYSICIAN AND THE HEALTH MAINTENANCE ORGANIZATION  
8 TERMINATES, THE PHYSICIAN MAY DO BOTH OF THE FOLLOWING:

9 (A) NOTIFY THE HEALTH MAINTENANCE ORGANIZATION'S ENROLLEES  
10 UNDER THE CARE OF THE PHYSICIAN OF THE TERMINATION IF THE PHYSI-  
11 CIAN DOES SO WITHIN 15 DAYS AFTER THE PHYSICIAN BECOMES AWARE OF  
12 THE TERMINATION.

13 (B) INCLUDE IN THE NOTICE UNDER SUBDIVISION (A) A DESCRIP-  
14 TION OF THE PROCEDURES FOR CONTINUING CARE UNDER SUBSECTIONS (2)  
15 AND (3).

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

20 (6) AS USED IN THIS SECTION:

21 (A) "PHYSICIAN" MEANS AN ALLOPATHIC PHYSICIAN OR OSTEOPATHIC  
22 PHYSICIAN [OR A MENTAL HEALTH PROFESSIONAL].

23 (B) "TERMINAL ILLNESS" MEANS THAT TERM AS DEFINED IN SECTION  
24 5653.

25 (C) "TERMINATES" OR "TERMINATION" INCLUDES THE NONRENEWAL,  
26 EXPIRATION, OR ENDING FOR ANY REASON OF AN AFFILIATION BETWEEN A  
27 PHYSICIAN AND A HEALTH MAINTENANCE ORGANIZATION, BUT DOES NOT

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1 INCLUDE A TERMINATION BY THE HEALTH MAINTENANCE ORGANIZATION FOR  
2 FAILURE TO MEET APPLICABLE QUALITY STANDARDS OR FOR FRAUD.

3 Enacting section 1. This amendatory act takes effect July  
4 1, 2000.