

HOUSE BILL No. 4020

January 27, 2005, Introduced by Rep. Kahn and referred to the Committee on Insurance.

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

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3157. (1) A physician, hospital, clinic, or other person
2 or institution lawfully rendering treatment to an injured person
3 for an accidental bodily injury covered by personal protection
4 insurance, and a person or institution providing rehabilitative
5 occupational training following the injury, may charge a reasonable
6 amount for the products, services, and accommodations rendered. The
7 charge shall not exceed the amount the person or institution
8 customarily charges for like products, services, and accommodations

1 in cases not involving insurance.

2 (2) ALL CHARGES UNDER SUBSECTION (1) THAT ARE BILLED BY PAPER
3 SHALL USE THE SAME CLAIM FORMS AND CODING POLICIES REQUIRED FOR
4 SEEKING PAYMENT UNDER TITLE XVIII OF THE SOCIAL SECURITY ACT, 42
5 USC 1395 TO 1395HHH, AND THE SAME CODE SETS REQUIRED UNDER THE
6 STANDARDS FOR ELECTRONIC TRANSACTIONS, 45 CFR PARTS 160 AND 162,
7 ADOPTED PURSUANT TO SECTIONS 1320D TO 1320D-8 OF THE HEALTH
8 INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996, 42 USC 1320D
9 TO 1320D-8. IF AN INSURER ESTABLISHES AN ELECTRONIC CLAIMS
10 SUBMISSION PROCESS AND THE CHARGES UNDER SUBSECTION (1) ARE BILLED
11 ELECTRONICALLY, THOSE CHARGES SHALL BE BILLED IN ACCORDANCE WITH
12 THE STANDARDS FOR ELECTRONIC TRANSACTIONS, 45 CFR PARTS 160 AND
13 162, ADOPTED PURSUANT TO SECTIONS 1320D TO 1320D-8 OF THE HEALTH
14 INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996, 42 USC 1320D
15 TO 1320D-8, AND SHALL BE SUBMITTED USING THE SAME CODING POLICIES
16 REQUIRED FOR SEEKING PAYMENT UNDER TITLE XVIII OF THE SOCIAL
17 SECURITY ACT, 42 USC 1395 TO 1395HHH.

18 (3) IF CLAIM FORMS, CODING POLICIES, OR STANDARDS FOR
19 ELECTRONIC TRANSACTIONS UNDER SUBSECTION (2) ARE AMENDED AFTER THE
20 EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBSECTION,
21 THE COMMISSIONER SHALL DETERMINE WHETHER THOSE CHANGES SHALL APPLY
22 TO CHARGES SUBMITTED UNDER SUBSECTION (1). IN MAKING THIS
23 DETERMINATION, THE COMMISSIONER SHALL CONSIDER WHETHER THE
24 AMENDMENTS FURTHER THE GOAL OF UNIFORM SUBMISSION OF CHARGES UNDER
25 SUBSECTION (1).

26 (4) ALL CHARGES UNDER SUBSECTION (1) SHALL BE BILLED TO THE
27 APPROPRIATE INSURER WITHIN 60 DAYS AFTER EACH PRODUCT OR SERVICE IS

1 RENDERED OR WITHIN 60 DAYS AFTER THE DATE THAT THE PERSON OR
2 INSTITUTION KNEW OR SHOULD HAVE KNOWN THE IDENTITY OF THE
3 APPROPRIATE INSURER, WHICHEVER PERIOD IS LATER.

4 (5) ALL INITIAL AND SUBSEQUENT CHARGES BILLED TO AN INSURER OR
5 THE INJURED PERSON SHALL BE ACCOMPANIED BY UPDATED TREATMENT NOTES
6 INDICATING DIAGNOSIS AND FURTHER TREATMENT PLANS. THESE UPDATED
7 TREATMENT NOTES AND PLANS SHALL BE PROVIDED AT NO COST TO THE
8 INSURER OR THE INJURED PERSON.

9 (6) A PHYSICIAN, HOSPITAL, CLINIC, OR OTHER PERSON OR
10 INSTITUTION LAWFULLY RENDERING TREATMENT IN THIS STATE TO AN
11 INJURED PERSON FOR AN ACCIDENTAL BODILY INJURY COVERED BY PERSONAL
12 PROTECTION INSURANCE, AND A PERSON OR INSTITUTION PROVIDING
13 REHABILITATIVE OCCUPATIONAL TRAINING IN THIS STATE FOLLOWING THE
14 INJURY, SHALL BE FULLY LICENSED OR REGISTERED AS REQUIRED BY THIS
15 STATE TO RENDER SUCH TREATMENT OR TRAINING.

16 (7) CHARGES SUBMITTED THAT ARE NOT IN COMPLIANCE WITH THIS
17 SECTION ARE NOT PAYABLE BY THE INSURER OR THE INJURED PERSON AND
18 ARE NOT CONSIDERED RECEIVED OR OVERDUE UNDER THIS CHAPTER.