



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

House Bill 5735 (Substitute H-1 as reported without amendment)

Sponsor: Representative Lesia Liss

House Committee: Health Policy

Senate Committee: Health Policy

CONTENT

The bill would amend the Public Health Code to authorize the Department of Community Health to provide data obtained through the electronic controlled substances data system to the medical director of a Medicaid contracted health plan.

The Code requires the Department of Community Health (DCH) to establish, by rule, an electronic system for monitoring Schedule 2, 3, 4, and 5 controlled substances dispensed by veterinarians, and by pharmacists and dispensing prescribers or dispensed to an address in Michigan by a pharmacy licensed in Michigan. The DCH must require a veterinarian, pharmacist, or dispensing prescriber to use the electronic data transmittal process developed by the Department or its contractor.

Notwithstanding any practitioner-patient privilege, the DCH Director may provide data obtained through the system to the following:

- A designated representative of an applicable licensing board.
- A DCH employee or agent.
- A State, Federal, or municipal employee or agent who is required to enforce Michigan or United States drug laws.
- A State-operated Medicaid program.
- A State, Federal, or municipal employee who holds a search warrant or subpoena properly issued for the records.
- A practitioner or pharmacist who requests information and certifies that it is for the purpose of providing treatment to a bona fide current patient.
- An individual with whom the DCH has contracted for administration of the electronic system.

The bill would include the medical director of a Medicaid contracted health plan for the purposes of ensuring patient safety and investigating fraud and abuse.

MCL 333.7333a

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would require the Department of Community Health to share data with Medicaid health plans. Setting up such a system would lead to minor one-time costs.

Date Completed: 9-16-10

Fiscal Analyst: Steve Angelotti

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.