

SENATE BILL NO. 636

November 01, 2023, Introduced by Senator HERTEL and referred to the Committee on Health Policy.

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," by amending section 2212a (MCL 500.2212a), as amended by 2023 PA 161.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2212a. (1) An insurer that delivers, issues for delivery,
2 or renews in this state a health insurance policy shall provide a
3 written summary of the health insurance policy in plain English to
4 insureds. The written summary must provide a clear, complete, and
5 accurate description of all of the following, as applicable:

1 (a) Uniform definitions of standard insurance terms and
2 medical terms so that a consumer may compare health coverage and
3 understand the terms of, or exceptions to, the consumer's coverage,
4 in accordance with the most recent guidance issued by the United
5 States Department of Health and Human Services.

6 (b) A description of the coverage, including cost sharing, for
7 each category of benefits in the most recent guidance issued by the
8 United States Department of Health and Human Services.

9 (c) The exceptions, reductions, and limitations of the health
10 insurance policy.

11 (d) The cost-sharing provisions of the coverage, including
12 deductible, coinsurance, and copayment obligations.

13 (e) The renewability and continuation of coverage provisions.

14 (f) Coverage examples.

15 (g) A statement about whether the health insurance policy
16 provides minimum essential coverage as defined under section
17 5000A(f) of the internal revenue code of 1986, 26 USC 5000A, and
18 whether the health insurance policy's share of the total allowed
19 costs of benefits provided under the health insurance policy meets
20 applicable requirements.

21 (h) A statement that the summary is only a summary and that
22 the health insurance policy should be consulted to determine the
23 governing contractual provisions of the coverage.

24 (i) Contact information for questions.

25 (j) An internet web address where a copy of the actual
26 individual coverage policy or group certificate of coverage can be
27 reviewed and obtained.

28 (k) For insurers that maintain 1 or more networks of
29 providers, instructions for obtaining a list of network providers.

1 (l) For insurers that use a formulary in providing prescription
 2 drug coverage, instructions for obtaining information on
 3 prescription drug coverage.

4 (m) Instructions for obtaining the uniform glossary, as
 5 described in subdivision ~~(e)~~, **(a)**, and a contact telephone number
 6 to obtain a paper copy of the uniform glossary, and a disclosure
 7 that paper copies are available.

8 **(n) Any other information required by the exchange created**
 9 **under the Michigan health insurance exchange act.**

10 (2) An insurer, or a group health plan to the extent the group
 11 health plan has contractually agreed to distribute the written
 12 summary under subsection (1), shall provide the written summary
 13 under subsection (1) as follows:

14 (a) To the applicant not later than 7 business days after the
 15 date of the receipt of the application.

16 (b) By the first date of coverage if the information provided
 17 at the time of application has changed.

18 (c) To the insured not later than 30 days after the effective
 19 date of a renewal of the policy.

20 (d) On request of the insured, not later than 7 days after the
 21 request.

22 (3) An insurer shall provide on request to insureds covered
 23 under a policy issued under section 3405 a clear, complete, and
 24 accurate description of any of the following information that has
 25 been requested:

26 (a) The current provider network in the service area,
 27 including names and locations of affiliated or participating
 28 providers by specialty or type of practice, a statement of
 29 limitations of accessibility and referrals to specialists, and a

1 disclosure of which providers will not accept new subscribers.

2 (b) The professional credentials of affiliated or
3 participating providers, including, but not limited to, affiliated
4 or participating providers who are board certified in the specialty
5 of pain medicine and the evaluation and treatment of pain and have
6 reported that certification to the insurer, including all of the
7 following:

8 (i) Relevant professional degrees.

9 (ii) Date of certification by the applicable nationally
10 recognized boards and other professional bodies.

11 (iii) The names of licensed facilities on the provider panel
12 where the provider currently has privileges for the treatment,
13 illness, or procedure that is the subject of the request.

14 (c) The licensing verification telephone number for the
15 department of licensing and regulatory affairs that can be accessed
16 for information as to whether any disciplinary actions or open
17 formal complaints have been taken or filed against a health care
18 provider in the preceding 3 years.

19 (d) Any prior authorization requirements and any limitations,
20 restrictions, or exclusions, including, but not limited to, drug
21 formulary limitations and restrictions by category of service,
22 benefit, and provider, and, if applicable, by specific service,
23 benefit, or type of drug.

24 (e) The financial relationships between the insurer and any
25 closed provider panel, including all of the following as
26 applicable:

27 (i) Whether a fee-for-service arrangement exists, under which
28 the provider is paid a specified amount for each covered service
29 rendered to the participant.

1 (ii) Whether a capitation arrangement exists, under which a
2 fixed amount is paid to the provider for all covered services that
3 are or may be rendered to each covered individual or family.

4 (iii) Whether payments to providers are made based on standards
5 relating to cost, quality, or patient satisfaction.

6 (f) A telephone number and address to obtain from the insurer
7 additional information concerning the items described in
8 subdivisions (a) to (e).

9 (4) On request, any of the information provided under
10 subsection (3) must be provided in writing. An insurer may require
11 that a request under subsection (2) be submitted in writing.

12 (5) A health insurer shall not deliver or issue for delivery a
13 policy of insurance to any person in this state unless all of the
14 following requirements are met:

15 (a) The style, arrangement, and overall appearance of the
16 policy do not give undue prominence to any portion of the text.
17 Every printed portion of the text of the policy and of any
18 endorsements or attached papers must be plainly printed in light-
19 faced type of a style in general use, the size of which must be
20 uniform and not less than 10-point with a lowercase unspaced
21 alphabet length, not less than 120-point in length of line. As used
22 in this subdivision, "text" includes all printed matter except the
23 name and address of the insurer, **the** name or title of the policy,
24 the brief description, if any, and captions and subcaptions.

25 (b) Except as otherwise provided in this subdivision or except
26 as provided in sections 3406 to 3452, exceptions and reductions of
27 indemnity are set forth in the policy and are printed, at the
28 insurer's option, with the benefit provision to which they apply or
29 under an appropriate caption such as "EXCEPTIONS" or "EXCEPTIONS

1 AND REDUCTIONS". If an exception or reduction of indemnity
2 specifically applies only to a particular benefit of the policy, a
3 statement of the exception or reduction must be included with the
4 benefit provision to which it applies.

5 (c) Each form, including riders and endorsements, is
6 identified by a form number in the lower left-hand corner of the
7 first page of the form.

8 (d) The policy contains no provision that purports to make any
9 portion of the charter, rules, constitution, or bylaws of the
10 insurer a part of the policy unless the portion is set forth in
11 full in the policy. This subdivision does not apply to the
12 incorporation of or reference to a statement of rates,
13 classification of risks, or short-rate table filed with the
14 director.

15 (6) Subject to section 2266, the information required under
16 this section may be provided electronically.

17 (7) As used in this section, "board certified" means certified
18 to practice in a particular medical or other health professional
19 specialty by the American Board of Medical Specialties, the
20 American Osteopathic Association Bureau of Osteopathic Specialists,
21 or another appropriate national health professional organization.

22 Enacting section 1. This amendatory act does not take effect
23 unless Senate Bill No. 633 of the 102nd Legislature is enacted into
24 law.