

Act No. 74
Public Acts of 2014
Approved by the Governor
March 28, 2014
Filed with the Secretary of State
March 28, 2014
EFFECTIVE DATE: March 28, 2014

**STATE OF MICHIGAN
97TH LEGISLATURE
REGULAR SESSION OF 2014**

Introduced by Senators Ananich, Warren, Caswell, Marleau, Booher, Robertson, Schuitmaker, Casperson, Bieda, Rocca, Anderson, Colbeck, Jansen, Hopgood, Jones, Whitmer, Hansen, Nofs, Pappageorge, Emmons, Hildenbrand, Kowall, Moolenaar and Johnson

ENROLLED SENATE BILL No. 807

AN ACT to amend 1984 PA 233, entitled "An act to authorize certain organizations to enter into prudent purchaser agreements with health care providers; to control health care costs, assure appropriate utilization of health care services, and maintain quality of health care; to provide for the regulation of certain organizations, health care providers, health care facilities, and prudent purchaser arrangements; to establish a joint legislative committee to investigate the degree of competition in the health care coverage market in this state; and to provide for the powers and duties of certain state officers and agencies," by amending section 2 (MCL 550.52).

The People of the State of Michigan enact:

Sec. 2. As used in this act:

(a) "Commissioner" means the commissioner of insurance.

(b) "Dental care corporation" means a dental care corporation incorporated under 1963 PA 125, MCL 550.351 to 550.373.

(c) "Health care corporation" means a health care corporation incorporated under the nonprofit health care corporation reform act, 1980 PA 350, MCL 550.1101 to 550.1704.

(d) "Health care provider" means a health facility or a person licensed, certified, or registered under part 62 or parts 161 to 182 of the public health code, 1978 PA 368, MCL 333.6230 to 333.6251 and 333.16101 to 333.18237, and chapter 2A of the mental health code, 1974 PA 258, MCL 330.1260 to 330.1287. Health care provider does not include a pharmacist or pharmacy engaged in the retail sale of drugs, until January 1, 1987.

(e) "Health facility" means:

(i) A facility or agency licensed or authorized under parts 201 to 217 of the public health code, 1978 PA 368, MCL 333.20101 to 333.21799e, or a licensed part of that facility or agency. Health facility does not include an ambulance operation, aircraft transport operation, nontransport prehospital life support operation, or medical first response service.

(ii) A mental hospital, psychiatric hospital, psychiatric unit, or other facility defined in 42 USC 1396d(d) operated by the department of community health or certified or licensed under the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106.

(iii) A facility providing outpatient physical therapy services, including speech pathology services.

(iv) A kidney disease treatment center, including a freestanding hemodialysis unit.

(v) An organized ambulatory health care facility.

(vi) A tertiary health care service facility.

(vii) A substance abuse treatment program licensed under part 62 of the public health code, 1978 PA 368, MCL 333.6230 to 333.6251, or chapter 2A of the mental health code, 1974 PA 258, MCL 330.1260 to 330.1287.

(viii) An outpatient psychiatric clinic.

(ix) A home health agency.

(f) "Health maintenance organization" means that term as defined in section 3501 of the insurance code of 1956, 1956 PA 218, MCL 500.3501.

(g) "Hospital service corporation" means a hospital service corporation incorporated under former 1939 PA 109.

(h) "Insurer" means an insurer as defined in section 106 of the insurance code of 1956, 1956 PA 218, MCL 500.106.

(i) "Medical care corporation" means a medical care corporation incorporated under former 1939 PA 108.

(j) "Organization" means an insurer, a dental care corporation, hospital service corporation, medical care corporation, health care corporation, or third party administrator.

(k) "Provider panel" means a panel of health care providers providing health care services under a prudent purchaser agreement.

(l) "Prudent purchaser agreement" means an agreement between an organization and a health care provider under section 3.

(m) "Third party administrator" means an administrator operating under a certificate of authority issued by the commissioner pursuant to the third party administrator act.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Ray E. Randall

Clerk of the House of Representatives

Approved

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Governor