



HOUSE BILL No. 5981

December 6 1994 Introduced by Reps Shugars and Jamian and referred to the Committee on Insurance

A bill to amend Act No 368 of the Public Acts of 1978,
entitled as amended
'Public health code,"
as amended, being sections 333 1101 to 333 25211 of the Michigan
Compiled Laws, by adding section 21052

THE PEOPLE OF THE STATE OF MICHIGAN ENACT

1 Section 1 Act No 368 of the Public Acts of 1978, as
2 amended, being sections 333 1101 to 333 25211 of the Michigan
3 Compiled Laws, is amended by adding section 21052 to read as
4 follows

5 SEC 21052 (1) A HEALTH MAINTENANCE ORGANIZATION SHALL
6 INCLUDE IN 18-POINT TYPE IN EACH NOTICE OR STATEMENT OF EXPLANA-
7 TION OF COVERAGE OR BENEFITS PROVIDED TO AN ENROLLEE THE
8 FOLLOWING STATEMENT

1 THE MAXIMUM FEE ALLOWANCE USED TO DETERMINE
2 REIMBURSEMENT OR PAYMENT OF THE AMOUNTS CHARGED
3 BY YOUR HEALTH CARE PROVIDER IS BASED ON FEE
4 DATA THAT WAS LAST REVISED ON [DATE OF LAST
5 REVISION], AND WAS DETERMINED BASED UPON
6 [DESCRIBE SOURCE OF FEE DATA AND TIME PERIOD FOR
7 WHICH DATA WAS COLLECTED]

8 (2) IF THE COMMISSIONER FINDS THAT A HEALTH MAINTENANCE
9 ORGANIZATION HAS FAILED TO PROVIDE THE STATEMENT TO AN ENROLLEE
10 AS REQUIRED UNDER SUBSECTION (1), THE COMMISSIONER MAY ORDER THE
11 HEALTH MAINTENANCE ORGANIZATION, AFTER AN OPPORTUNITY FOR A HEAR-
12 ING PURSUANT TO THE ADMINISTRATIVE PROCEDURES ACT OF 1969, TO PAY
13 A CIVIL FINE OF NOT MORE THAN \$50 00 FOR EACH VIOLATION