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House Bill 4369 (Substitute S-2 as reported)

Sponsor: Senator Lesia Liss

House Committee: Health Policy

Senate Committee: Health Policy

CONTENT

The bill would amend the Public Health Code to do the following:

- Allow the Director of the Department of Licensing and Regulatory Affairs (LARA) to provide data from the controlled substances monitoring system to a health care payment or benefit provider for the purposes of ensuring patient safety and investigating fraud and abuse.
- From February 1, 2013, through February 1, 2016, allow LARA to request a health care payment or benefit provider to determine if it had gained access to the electronic system in the previous calendar year and, if so, to determine the number of inquiries the provider made and any other information related to its access to the system.

The Bureau of Health Systems, now in LARA, maintains an electronic system for monitoring Schedule 2, 3, 4, and 5 controlled substances dispensed in Michigan by veterinarians, and by pharmacists and dispensing prescribers (physicians and dentists who dispense prescription drugs to their own patients); or dispensed to a Michigan address by a pharmacy licensed in the State.

The Code specifies people to whom the Director may provide data from the system, notwithstanding any practitioner-patient privilege. The bill would include among them a health care payment or benefit provider for the purposes of ensuring patient safety and investigating fraud and abuse. "Health care payment or benefit provider" would mean a person that provides health benefits, coverage, or insurance in Michigan, including a health insurance company, Blue Cross Blue Shield of Michigan, a health maintenance organization, a multiple employer welfare arrangement, a Medicaid contracted health plan, or any other person providing a plan of health benefits, coverage, or insurance subject to State insurance regulation.

MCL 333.7333a

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would permit the Department of Licensing and Regulatory Affairs to share information from the controlled substance monitoring system with health insurers. This would cause a minor, indeterminate increase in administrative costs.

Date Completed: 10-10-11

Fiscal Analyst: Josh Sefton