

HOUSE BILL NO. 5344

November 14, 2023, Introduced by Reps. Brabec, Arbit, Coffia, Mentzer, Rheingans, Tsernoglou, Conlin, Martus, MacDonell, Steckloff, Price, Dievendorf, Edwards, Byrnes, Miller, Hope and Aiyash and referred to the Committee on Health Policy.

A bill to amend 1980 PA 350, entitled
"The nonprofit health care corporation reform act,"
(MCL 550.1101 to 550.1704) by adding section 414c.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **Sec. 414c. (1) Subject to subsection (2), a health care**
2 **corporation shall do all of the following:**

3 **(a) Assess and verify the qualifications of a mental health or**
4 **substance use disorder provider applying to become a participating**
5 **provider within 60 calendar days of receipt of a complete**

1 credentialing application and issue a decision in writing to the
2 applicant approving or denying the credentialing application not
3 later than 60 calendar days after receiving the complete
4 credentialing application.

5 (b) Within 10 business days after receipt of an incomplete
6 credentialing application, send a written notification, via United
7 States certified mail, to the applicant requesting any information
8 or supporting documentation that the health care corporation
9 requires to approve or deny the credentialing application. The
10 notice to the applicant must include a full and detailed
11 description of all the information or supporting documentation
12 required to make the application complete and the name, address,
13 and telephone number of a person who serves as the applicant's
14 point of contact for completing the credentialing application
15 process. Any information required under this section must be
16 reasonably related to the information in the application. As used
17 in this subdivision, "business day" means a day other than a
18 Saturday, a Sunday, or any legal holiday.

19 (c) Not later than the 60 calendar days described in
20 subdivision (a) or the additional 15 days described in subsection
21 (2), load into the health care corporation's provider payment
22 system all provider information for an approved mental health or
23 substance use disorder provider, including all information needed
24 to correctly reimburse a newly approved mental health or substance
25 use disorder provider according to the provider's contract. The
26 health care corporation shall add the approved provider's data to
27 the provider directory upon loading the provider's information into
28 the health care corporation's provider payment system.

29 (2) A health care corporation may extend the credentialing

1 period to assess and issue a determination by an additional 15
2 calendar days if, upon review of a complete application, it is
3 determined that the circumstance presented, including an admission
4 of sanctions by the state licensing board, investigation or felony
5 conviction, or revocation of clinical privileges, requires
6 additional consideration.

7 (3) A health care corporation shall reimburse a mental health
8 or substance use disorder provider whose credentialing application
9 has not yet been approved or denied for covered mental health or
10 substance use disorder services for any claims from the provider
11 that the health care corporation receives with a date of service
12 more than 60 calendar days after the date on which the health care
13 corporation received a complete credentialing application, or 45
14 calendar days if the conditions described in subsection (2) are
15 met, if:

16 (a) The provider has submitted a complete credentialing
17 application and any supporting documentation that the health care
18 corporation has requested in writing within the time frame
19 established in subsection (2).

20 (b) The provider has no past or current license sanctions or
21 limitations, as reported by the pertinent state licensing and
22 regulatory agency, or by a similar out-of-state licensing and
23 regulatory entity for a provider licensed in another state.

24 (c) The provider has professional liability insurance.

25 (d) The health care corporation has failed to approve or deny
26 the applicant's complete credentialing application within the time
27 frames established by subsection (1)(a) or (2).

28 (4) A mental health or substance use disorder provider
29 eligible for reimbursement under subsection (3) who, at the time

1 services were rendered, was not employed by a practice or group
2 that has contracted with the health care corporation to provide
3 services at specified rates of reimbursement must be paid by the
4 health care corporation at the health care corporation's standard
5 in-network reimbursement rate for mental health or substance use
6 disorder providers of the same licensure. If the health care
7 corporation does not have a standard in-network reimbursement rate
8 for the mental health or substance use disorder providers, the
9 reimbursement rate paid must be the median reimbursement rate the
10 health care corporation pays to mental health or substance use
11 disorder providers of the same licensure.

12 (5) A mental health or substance use disorder provider
13 eligible for reimbursement under subsection (3) who, at the time
14 services were rendered, was employed by a practice or group that
15 has contracted with the health care corporation to provide services
16 at specified rates of reimbursement must be paid by the health care
17 corporation in accordance with the terms of that contract for
18 providers of the same licensure. If providers of the same licensure
19 are already employed by the practice or group that has contracted
20 with the health care corporation, the reimbursement rate paid must
21 be the median reimbursement rate the health care corporation pays
22 to mental health or substance use disorder providers of the same
23 licensure.

24 (6) If a health care corporation approves the credentialing
25 application of a mental health or substance use disorder provider
26 within the time frames specified in subsection (1)(a) or (2), the
27 health care corporation shall immediately reimburse the provider
28 for claims submitted after the date of approval at the
29 reimbursement rate specified in the terms and conditions of the

1 contract between the health care corporation and the provider.

2 (7) This section applies equally to initial credentialing
3 applications and applications for recredentialing.

4 (8) As used in this section, "mental health or substance use
5 disorder provider" means any of the following:

6 (a) A physician licensed under part 170 or 175 of the public
7 health code, 1978 PA 368, MCL 333.17001 to 333.17097 and 333.17501
8 to 333.17556, who specializes in psychiatry, addiction medicine, or
9 any subspecialty of psychiatry or addiction medicine.

10 (b) A psychologist licensed under part 182 of the public
11 health code, 1978 PA 368, MCL 333.18201 to 333.18237.

12 (c) A licensed bachelor's social worker or licensed master's
13 social worker licensed under part 185 of the public health code,
14 1978 PA 368, MCL 333.18501 to 333.18518.

15 (d) A marriage and family therapist licensed under part 169 of
16 the public health code, 1978 PA 368, MCL 333.16901 to 333.16915.

17 (e) A licensed professional counselor or limited licensed
18 counselor licensed under part 181 of the public health code, 1978
19 PA 368, MCL 333.18101 to 333.18117.

20 (f) A behavior analyst or assistant behavior analyst licensed
21 under part 182A of the public health code, 1978 PA 368, MCL
22 333.18251 to 333.18267.

23 Enacting section 1. This amendatory act does not take effect
24 unless Senate Bill No. ____ or House Bill No. 5343 (request no.
25 02614'23) of the 102nd Legislature is enacted into law.