



**House  
Legislative  
Analysis  
Section**

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NO CHARGING ABOVE MEDICARE RATE  
RECEIVED

MAR 05 1990

House Bill 5448

Sponsor: Rep. Perry

Committee: Judiciary

Mich. State Law Library

Complete to 2-22-90

**A SUMMARY OF HOUSE BILL 5448 AS INTRODUCED 2-6-90**

The bill would create a new public act to require physicians to accept Medicare fees as full payment for services. A physician who collected more than the Medicare rate for a Medicare-covered service would be liable to the patient for three times the amount of the excess fee (plus reasonable costs and attorney fees), or \$1,000 (plus costs and reasonable attorney fees), whichever was greater.

In addition, the bill would require a physician to file a patient's Medicare claim free of charge within 30 days after rendering a Medicare-covered service. A physician who charged a fee for submitting the claim would be liable to the patient for \$500, plus reasonable costs and attorney fees.

A physician who violated the bill's provisions limiting fees and requiring claims to be filed would also be liable for a civil penalty of \$2,000 per violation. These civil fines would be paid to the Department of Social Services and used to pay for health care for individuals who have no health insurance.

The state Medicare carrier would have to pay a physician within 30 days after receiving a claim for Medicare-covered services. If the state failed to do so, the physician could sue for injunctive relief.

The insurance bureau could assist the medicare carrier in distributing directories of physicians participating in Medicare.

House Bill 5448 (2-22-90)