SENATE BILL No. 295

March 24, 2011, Introduced by Senators HUNE and SMITH and referred to the Committee on Insurance.

A bill to amend 1956 PA 218, entitled

"The insurance code of 1956,"

by amending section 3157 (MCL 500.3157).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3157. **(1)** A physician, hospital, clinic, or other person

2 or institution lawfully rendering treatment to an injured person

3 for an accidental bodily injury covered by personal protection

4 insurance, and a person or institution providing rehabilitative

5 occupational training following the injury, may charge a reasonable

6 amount for the products, services, and accommodations rendered. The

7 charge shall not exceed the amount the person or institution

8 customarily charges for like products, services, and accommodations

9 in cases not involving insurance.

1   (2) ALL CHARGES UNDER SUBSECTION (1) THAT ARE SUBMITTED BY

2   PAPER TO THE APPROPRIATE INSURER ON BEHALF OF THE INJURED PERSON

3   SHALL USE THE SAME CLAIM FORMS REQUIRED FOR SEEKING PAYMENT UNDER

4   TITLE XVIII OF THE SOCIAL SECURITY ACT, 42 USC 1395 TO 1395KKK-1,

5   AND THE SAME CODE SETS REQUIRED UNDER THE STANDARDS FOR ELECTRONIC

6   TRANSACTIONS, 45 CFR PARTS 160 AND 162, ADOPTED PURSUANT TO

7   SECTIONS 1320D TO 1320D-8 OF THE HEALTH INSURANCE PORTABILITY AND

8   ACCOUNTABILITY ACT OF 1996, 42 USC 1320D TO 1320D-8. IF AN INSURER

9   ESTABLISHES AN ELECTRONIC CLAIMS SUBMISSION PROCESS AND THE CHARGES

10   UNDER SUBSECTION (1) ARE BILLED ELECTRONICALLY, THOSE CHARGES SHALL

11   BE BILLED IN ACCORDANCE WITH THE STANDARDS FOR ELECTRONIC

12   TRANSACTIONS, 45 CFR PARTS 160 AND 162, ADOPTED PURSUANT TO

13   SECTIONS 1320D TO 1320D-8 OF THE HEALTH INSURANCE PORTABILITY AND

14   ACCOUNTABILITY ACT OF 1996, 42 USC 1320D TO 1320D-8.

15   (3) IF CLAIM FORMS, CODE SETS, OR STANDARDS FOR ELECTRONIC

16   TRANSACTIONS UNDER SUBSECTION (2) ARE AMENDED AFTER THE EFFECTIVE

17   DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBSECTION, THE

18   COMMISSIONER SHALL DETERMINE WHETHER THOSE CHANGES SHALL APPLY TO

19   CHARGES SUBMITTED UNDER SUBSECTION (1). IN MAKING THIS

20   DETERMINATION, THE COMMISSIONER SHALL CONSIDER WHETHER THE

21   AMENDMENTS FURTHER THE GOAL OF UNIFORM SUBMISSION OF CHARGES UNDER

22   SUBSECTION (1).

23   (4) ALL CHARGES UNDER SUBSECTION (1) SHALL BE SUBMITTED ON

24   BEHALF OF THE INJURED PERSON TO THE AUTOMOBILE INSURER OR, IN THE

25   CASE OF A COORDINATED AUTOMOBILE INSURANCE POLICY, THE THIRD PARTY

26   PAYER, WITHIN 90 DAYS AFTER EACH PRODUCT OR SERVICE IS RENDERED OR

27   WITHIN 90 DAYS AFTER THE DATE THAT THE PERSON OR INSTITUTION KNEW

1   OR SHOULD HAVE KNOWN THE IDENTITY OF THE APPROPRIATE AUTOMOBILE

2   INSURER OR THIRD PARTY PAYER, WHICHEVER PERIOD IS LATER. THIS 90-

3   DAY PERIOD IS TOLLED FROM THE DATE OF SUBMISSION TO A THIRD PARTY

4   PAYER TO THE DATE THE PERSON OR INSTITUTION RECEIVES A RESPONSE

5   FROM THE THIRD PARTY PAYER. THE AUTOMOBILE INSURER SHALL EXTEND THE

6   90-DAY TIME PERIOD UNDER THIS SUBSECTION IF A PERSON OR INSTITUTION

7   SUBMITS WRITTEN PROOF PROVIDING CLEAR AND REASONABLE JUSTIFICATION

8   FOR THE FAILURE TO COMPLY WITH THE 90-DAY PERIOD.

9   (5) IF LICENSURE OR REGISTRATION IS REQUIRED BY THIS STATE, A

10 PHYSICIAN, HOSPITAL, CLINIC, OR OTHER PERSON OR INSTITUTION

11 LAWFULLY RENDERING TREATMENT IN THIS STATE TO AN INJURED PERSON FOR

12 AN ACCIDENTAL BODILY INJURY COVERED BY PERSONAL PROTECTION

13 INSURANCE, AND A PERSON OR INSTITUTION PROVIDING REHABILITATIVE

14 OCCUPATIONAL TRAINING IN THIS STATE FOLLOWING THE INJURY, SHALL BE

15 FULLY LICENSED OR REGISTERED TO RENDER THAT TREATMENT OR TRAINING.

16   (6) SUBSECTION (4) DOES NOT APPLY TO HOSPITALS. THIS SECTION

17 DOES NOT APPLY TO ATTENDANT CARE IF PROVIDED BY AN INDIVIDUAL

18 RELATED TO THE INJURED PERSON BY BLOOD, MARRIAGE, OR ADOPTION; BY

19 ANY NONRELATED PERMANENT RESIDENT OF THE INJURED PERSON'S

20 HOUSEHOLD; OR BY ANY OTHER INDIVIDUAL IF THAT INDIVIDUAL IS NOT

21 REQUIRED TO BE LICENSED OR REGISTERED TO PROVIDE THOSE SERVICES.