

# HOUSE BILL No. 4192

February 6, 2013, Introduced by Rep. Shirkey and referred to the Committee on Insurance.

A bill to amend 1956 PA 218, entitled  
"The insurance code of 1956,"  
(MCL 500.100 to 500.8302) by adding section 2006a.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           SEC. 2006A. (1) A HEALTH PLAN SHALL NOT RETROSPECTIVELY DENY A  
2 PREVIOUSLY PAID CLAIM TO A HEALTH PROFESSIONAL OR ANY PART OF A  
3 PREVIOUSLY PAID CLAIM TO A HEALTH PROFESSIONAL UNLESS ALL OF THE  
4 FOLLOWING ARE MET:

5           (A) THE HEALTH PLAN HAS PROVIDED A WRITTEN NOTICE TO THE  
6 HEALTH PROFESSIONAL SPECIFYING THE PREVIOUSLY PAID CLAIM THAT IS  
7 BEING RETROSPECTIVELY DENIED AND THE REASON FOR THE RETROSPECTIVE  
8 DENIAL OF THAT CLAIM.

9           (B) THE TIME THAT HAS ELAPSED SINCE THE DATE OF PAYMENT OF THE  
10 PREVIOUSLY PAID CLAIM DOES NOT EXCEED 12 MONTHS. A PREVIOUSLY PAID  
11 CLAIM MAY BE RETROSPECTIVELY DENIED MORE THAN 12 MONTHS AFTER THE

1 DATE OF PAYMENT, BUT ONLY FOR 1 OF THE FOLLOWING REASONS:

2 (i) THE CLAIM WAS SUBMITTED FRAUDULENTLY.

3 (ii) THE CLAIM PAYMENT WAS INCORRECT BECAUSE THE HEALTH  
4 PROFESSIONAL OR PATIENT WAS ALREADY PAID FOR THE HEALTH CARE  
5 SERVICES IDENTIFIED IN THE CLAIM.

6 (iii) THE CLAIM PAYMENT WAS FOR SERVICES COVERED BY TITLE XVIII,  
7 TITLE XIX, OR TITLE XXI.

8 (iv) SUBJECT TO SUBSECTION (3), THE CLAIM PAYMENT IS THE  
9 SUBJECT OF ADJUSTMENT WITH ANOTHER HEALTH PLAN, ADMINISTRATOR, OR  
10 PAYOR UNDER A COORDINATION OF BENEFITS OR OTHER PROVISION.

11 (v) THE CLAIM PAYMENT IS THE SUBJECT OF LEGAL ACTION.

12 (2) A HEALTH PLAN SHALL NOT REDUCE OTHER PAYMENTS OWED TO A  
13 HEALTH PROFESSIONAL, WITHHOLD OR SET OFF AGAINST FUTURE PAYMENTS TO  
14 A HEALTH PROFESSIONAL, OR REDUCE OR AFFECT FUTURE CLAIM PAYMENTS TO  
15 A HEALTH PROFESSIONAL OTHER THAN CLAIM PAYMENTS THAT ARE THE  
16 SUBJECT OF THE RETROSPECTIVE DENIAL.

17 (3) A HEALTH PLAN THAT RETROSPECTIVELY DENIES A PREVIOUSLY  
18 PAID CLAIM THAT IS THE SUBJECT OF ADJUSTMENT WITH ANOTHER HEALTH  
19 PLAN, ADMINISTRATOR, OR PAYOR UNDER A COORDINATION OF BENEFITS  
20 PROVISION SHALL PROVIDE A WRITTEN NOTICE TO THE HEALTH PROFESSIONAL  
21 SPECIFYING THE HEALTH PLAN, ADMINISTRATOR, OR PAYOR THAT IS  
22 RESPONSIBLE FOR THE PAYMENT OF THE CLAIM AND THE ADDRESS FOR  
23 SUBMISSION OF THE CLAIM.

24 (4) A HEALTH PLAN SHALL NOT RETROSPECTIVELY DENY A PREVIOUSLY  
25 PAID CLAIM TO A HEALTH PROFESSIONAL OR ANY PART OF A PREVIOUSLY  
26 PAID CLAIM TO A HEALTH PROFESSIONAL FOR ANY CLAIM FOR WHICH THE  
27 HEALTH PLAN VERIFIED THE BENEFITS OR ELIGIBILITY AT THE TIME THE

1 SERVICE WAS PROVIDED BY THE HEALTH PROFESSIONAL.

2 (5) AS USED IN THIS SECTION:

3 (A) "HEALTH PLAN" MEANS THAT TERM AS DEFINED IN SECTION 2006  
4 AND INCLUDES A NONPROFIT DENTAL CARE CORPORATION OPERATING UNDER  
5 1963 PA 125, MCL 550.351 TO 550.373.

6 (B) "HEALTH PROFESSIONAL" MEANS THAT TERM AS DEFINED IN  
7 SECTION 2006.

8 (C) "RETROSPECTIVELY DENY A PREVIOUSLY PAID CLAIM" MEANS AN  
9 ATTEMPT TO RETROACTIVELY COLLECT PAYMENTS ALREADY MADE TO A HEALTH  
10 PROFESSIONAL WITH RESPECT TO A CLAIM BY REQUIRING REPAYMENT OF THE  
11 PAYMENTS, REDUCING OTHER PAYMENTS CURRENTLY OWED TO THE HEALTH  
12 PROFESSIONAL, WITHHOLDING OR SETTING OFF AGAINST FUTURE PAYMENTS,  
13 OR REDUCING OR AFFECTING THE FUTURE CLAIM PAYMENTS TO THE HEALTH  
14 PROFESSIONAL IN ANY OTHER MANNER.

15 (D) "TITLE XVIII" MEANS THE FEDERAL MEDICARE PROGRAM  
16 ESTABLISHED UNDER TITLE XVIII OF THE SOCIAL SECURITY ACT, 42 USC  
17 1395 TO 1395KKK-1.

18 (E) "TITLE XIX" MEANS A PROGRAM FOR MEDICAL ASSISTANCE  
19 ESTABLISHED UNDER TITLE XIX OF THE SOCIAL SECURITY ACT, 42 USC 1396  
20 TO 1396W-5.

21 (F) "TITLE XXI" MEANS STATE CHILD HEALTH PLANS ESTABLISHED  
22 UNDER TITLE XXI OF THE SOCIAL SECURITY ACT, 42 USC 1397AA TO  
23 1397MM.

24 Enacting section 1. This amendatory act does not take effect  
25 unless Senate Bill No. \_\_\_\_ or House Bill No. 4191(request no.  
26 00273'13) of the 97th Legislature is enacted into law.