SENATE BILL NO. 570

October 10, 2019, Introduced by Senators THEIS, HERTEL, JOHNSON, BARRETT, LASATA, BULLOCK, VICTORY, MCMORROW, MACDONALD, RUNESTAD and DALEY and referred to the Committee on Insurance and Banking.

A bill to amend 1978 PA 368, entitled "Public health code,"

(MCL 333.1101 to 333.25211) by adding article 18.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

ARTICLE 18. SURPRISE BILLING PROTECTIONS

Sec. 24501. As used in this article:

(a) "Covered person" means a policyholder, subscriber, enrollee, or other individual participating in a health benefit plan.

(b) "Emergency patient" means that term as defined in section...
(c) "Health benefit plan" means that term as defined in section 21501.

(d) "Nonemergency patient" means that term as defined in section 20908.

(e) "Nonparticipating health facility" means a health facility that has not contracted with the patient's health benefit plan to provide services under the covered person's policy.

(f) "Nonparticipating provider" means a provider who provides health care services at a participating health facility who does not have a contract with the health benefit plan to provide services at a prenegotiated rate.

(g) "Participating health facility" means a health facility that has contracted with the patient's health benefit plan to provide services under the covered person's policy. A participating health facility includes, but is not limited to, the following providers:

(i) A hospital as that term is defined in section 20106.

(ii) A freestanding surgical outpatient facility as that term is defined in section 20104.

(iii) A skilled nursing facility as that term is defined in section 20109.

(iv) A physician's office or other outpatient setting.

(v) A laboratory.

(vi) A radiology or imaging center.

(h) "Participating provider" means that term as defined in section 21501.

(i) "Patient's representative" means that term as defined in section 21501.
Sec. 24503. (1) For a covered emergency service provided by a nonparticipating provider at a participating health facility or a nonparticipating health facility and for a covered nonemergency service provided by a nonparticipating provider at a participating health facility, if the covered person does not have the ability or opportunity to choose a participating provider, or the only provider available at the health facility to perform the service is a nonparticipating provider, the nonparticipating provider shall accept as payment in full 125% of the amount that would be covered by Medicare for the service in that Medicare fee locality, excluding any in-network coinsurance, copayments, or deductibles.

(2) A nonparticipating provider of an emergency service or a nonparticipating provider of a nonemergency service as provided in subsection (1) shall not collect or attempt to collect from the covered person, directly or indirectly, any excess amount other than applicable coinsurance, copayments, or deductibles.

(3) The department may impose an administrative fine on a licensed provider for a violation of this section.

Enacting section 1. This amendatory act does not take effect unless Senate Bill No. 572 of the 100th Legislature is enacted into law.