

Michigan Office of Administrative Hearings and Rules

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**AGENCY REPORT TO THE
JOINT COMMITTEE ON ADMINISTRATIVE RULES (JCAR)**

1. Agency Information

Agency name:

Insurance and Financial Services

Division/Bureau/Office:

Insurance

Name of person completing this form:

Julie Agueros

Phone number of person completing this form:

517-894-3713

E-mail of person completing this form:

AguerosJ@michigan.gov

Name of Department Regulatory Affairs Officer reviewing this form:

Sarah Wohlford

2. Rule Set Information

MOAHR assigned rule set number:

2020-113 IF

Title of proposed rule set:

Surprise Medical Billing

3. Purpose for the proposed rules and background:

These rules implement the provisions of MCL 333.24510 and MCL 333.24511 by doing the following: 1) establishing procedures for the department to review and resolve requests for calculation determinations submitted pursuant to MCL 333.24510; 2) establishing procedures for the department to request documents, materials, or other information necessary to perform calculation reviews and issue determinations under MCL 333.24510; 3) establishing procedures for processing requests for binding arbitration submitted pursuant to MCL 333.24511; and 4) establishing standards for approving arbitrators to provide binding arbitration pursuant to MCL 333.24511.

4. Summary of proposed rules:

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This is a new rule set that implements the provisions of MCL 333.24510 and MCL 333.24511 by doing the following: 1) establishing procedures for the Department of Insurance and Financial Services to review and resolve requests for calculation determinations submitted pursuant to MCL 333.24510; 2) establishing procedures for the Department to request documents, materials, or other information necessary to perform calculation reviews and issue determinations under MCL 333.24510; 3) establishing procedures for processing requests for binding arbitration submitted pursuant to MCL 333.24511; and 4) establishing standards for approving arbitrators to provide binding arbitration pursuant to MCL 333.24511.

5. List names of newspapers in which the notice of public hearing was published and publication dates:

Lansing State Journal: February 19, 2021
Oakland Press: February 19, 2021
Daily Press (Escanaba): February 19, 2021

6. Date of publication of rules and notice of public hearing in Michigan Register:

3/1/2021

7. Date, time, and location of public hearing:

3/12/2021 10:00 AM at Virtual Room , <http://bit.ly/SMBDraftRulesPublicHearing>

8. Provide the link the agency used to post the regulatory impact statement and cost-benefit analysis on its website:

<https://ARS.apps.lara.state.mi.us/Transaction/RFRTtransaction?TransactionID=1239>

9. List of the name and title of agency representative(s) attending public hearing:

Sarah Wohlford, Senior Deputy Director
Julie Agueros, Administrative Law Specialist

10. Persons submitting comments of support:

No comments were submitted in clear support of the rule set.

11. Persons submitting comments of opposition:

The Department received comments indicating opposition by Joseph Kheder (J. Kheder Associates, LLC) and Dr. Antonio Bonfiglio, TeamHealth.

12. Identify any changes made to the proposed rules based on comments received during the public comment period:

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	Name & Organization	Comments made at public hearing	Written Comments	Agency Rationale for change	Rule number & citation changed
1	Jeff Romback, Deputy Director, Michigan Association of Health Plans		When requesting information from a carrier beyond the median amount for the purposes of a calculation review, the Department should be required to provide the carrier its reasoning in writing.	The cited rules are not intended to depart from the authority under MCL 333.24510 (2) allowing the Department to request information necessary to review the calculation described in MCL 333.24510(1). Rule 500.243(1) and (2)(b) and Rule 500.244(3) have been amended to clarify this point by citing the corresponding statutory provision and language.	R 500.243(1), (2)(b); R 500.244(3)
2	Jeff Romback, Deputy Director, Michigan Association of Health Plans		The rule provides the Department 14 days to respond to a request for a calculation review; carriers should also be provided 14 days to respond to any of the Department's requests for information.	Rule 500.243(3) has been amended to allow the suggested 14-day period for carriers' responses. A corresponding clarifying change has been made to R 500.243(4).	R 500.243(3), (4)

13.Date report completed:

4/22/2021