

Act No. 38
Public Acts of 2016
Approved by the Governor
March 15, 2016
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STATE OF MICHIGAN
98TH LEGISLATURE
REGULAR SESSION OF 2016

Introduced by Senators O'Brien, Hildenbrand, Schuitmaker, Knezek and Hune

ENROLLED SENATE BILL No. 150

AN ACT to amend 1956 PA 218, entitled "An act to revise, consolidate, and classify the laws relating to the insurance and surety business; to regulate the incorporation or formation of domestic insurance and surety companies and associations and the admission of foreign and alien companies and associations; to provide their rights, powers, and immunities and to prescribe the conditions on which companies and associations organized, existing, or authorized under this act may exercise their powers; to provide the rights, powers, and immunities and to prescribe the conditions on which other persons, firms, corporations, associations, risk retention groups, and purchasing groups engaged in an insurance or surety business may exercise their powers; to provide for the imposition of a privilege fee on domestic insurance companies and associations and the state accident fund; to provide for the imposition of a tax on the business of foreign and alien companies and associations; to provide for the imposition of a tax on risk retention groups and purchasing groups; to provide for the imposition of a tax on the business of surplus line agents; to provide for the imposition of regulatory fees on certain insurers; to provide for assessment fees on certain health maintenance organizations; to modify tort liability arising out of certain accidents; to provide for limited actions with respect to that modified tort liability and to prescribe certain procedures for maintaining those actions; to require security for losses arising out of certain accidents; to provide for the continued availability and affordability of automobile insurance and homeowners insurance in this state and to facilitate the purchase of that insurance by all residents of this state at fair and reasonable rates; to provide for certain reporting with respect to insurance and with respect to certain claims against uninsured or self-insured persons; to prescribe duties for certain state departments and officers with respect to that reporting; to provide for certain assessments; to establish and continue certain state insurance funds; to modify and clarify the status, rights, powers, duties, and operations of the nonprofit malpractice insurance fund; to provide for the departmental supervision and regulation of the insurance and surety business within this state; to provide for regulation over worker's compensation self-insurers; to provide for the conservation, rehabilitation, or liquidation of unsound or insolvent insurers; to provide for the protection of policyholders, claimants, and creditors of unsound or insolvent insurers; to provide for associations of insurers to protect policyholders and claimants in the event of insurer insolvencies; to prescribe educational requirements for insurance agents and solicitors; to provide for the regulation of multiple employer welfare arrangements; to create an automobile theft prevention authority to reduce the number of automobile thefts in this state; to prescribe the powers and duties of the automobile theft prevention authority; to provide certain powers and duties upon certain officials, departments, and authorities of this state; to provide for an appropriation; to repeal acts and parts of acts; and to provide penalties for the violation of this act," (MCL 500.100 to 500.8302) by adding section 3406t.

The People of the State of Michigan enact:

Sec. 3406t. (1) An insurer that delivers, issues for delivery, or renews in this state an expense-incurred hospital, medical, or surgical group or individual policy or certificate that provides prescription drug coverage, or a health maintenance organization that offers a group or individual contract that provides prescription drug coverage, shall

provide a program for synchronizing multiple maintenance prescription drugs for an insured or enrollee if both of the following are met:

(a) The insured or enrollee, the insured's or enrollee's physician, and a pharmacist agree that synchronizing the insured's or enrollee's multiple maintenance prescription drugs for the treatment of a chronic long-term care condition is in the best interests of the insured or enrollee for the management or treatment of a chronic long-term care condition.

(b) The insured's or enrollee's multiple maintenance prescription drugs meet all of the following requirements:

(i) Are covered by the policy, certificate, or contract described in this section.

(ii) Are used for the management and treatment of a chronic long-term care condition and have authorized refills that remain available to the insured or enrollee.

(iii) Except as otherwise provided in this subparagraph, are not controlled substances included in schedules 2 to 5 under sections 7214, 7216, 7218, and 7220 of the public health code, 1978 PA 368, MCL 333.7214, 333.7216, 333.7218, and 333.7220. This subparagraph does not apply to anti-epileptic prescription drugs.

(iv) Meet all prior authorization requirements specific to the maintenance prescription drugs at the time of the request to synchronize the insured's or enrollee's multiple maintenance prescription drugs.

(v) Are of a formulation that can be effectively split over required short fill periods to achieve synchronization.

(vi) Do not have quantity limits or dose optimization criteria or requirements that will be violated when synchronizing the insured's or enrollee's multiple maintenance prescription drugs.

(2) An insurer or health maintenance organization described in subsection (1) shall apply a prorated daily cost-sharing rate for maintenance prescription drugs that are dispensed by an in-network pharmacy for the purpose of synchronizing the insured's or enrollee's multiple maintenance prescription drugs.

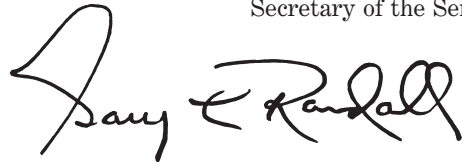
(3) An insurer or health maintenance organization described in subsection (1) shall not reimburse or pay any dispensing fee that is prorated. The insurer or health maintenance organization shall only pay or reimburse a dispensing fee that is based on each maintenance prescription drug dispensed.

Enacting section 1. This amendatory act applies to policies, certificates, and contracts delivered, executed, issued, amended, adjusted, or renewed in this state, or outside of this state if covering residents of this state, beginning 365 days after the date this amendatory act is enacted into law.

This act is ordered to take immediate effect.



Secretary of the Senate



Clerk of the House of Representatives

Approved

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Governor