

**SUBSTITUTE FOR
HOUSE BILL NO. 5944**

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
(MCL 500.100 to 500.8302) by adding section 3406v.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **Sec. 3406v. (1) Subject to section 4 of the health care false**
2 **claims act, 1984 PA 323, MCL 752.1004, a health insurance policy**
3 **delivered, issued for delivery, or renewed in this state that**
4 **provides coverage for prescription drugs must apply any amount paid**
5 **by the insured or paid on behalf of the insured by another person**
6 **when calculating the insured's overall contribution to any out-of-**
7 **pocket maximum or any cost-sharing requirement.**

8 **(2) This section applies to a health insurance policy**
9 **delivered, issued for delivery, or renewed in this state after**



1 December 31, 2021.

2 (3) If any provision of this section conflicts with a federal
3 law, the federal law prevails.

4 (4) As used in this section:

5 (a) "Cost-sharing requirement" means any copayment,
6 coinsurance, deductible, or annual limitation on cost sharing,
7 including, but not limited to, a limitation subject to 42 USC
8 18022(c) and 300gg-6(b), required by or on behalf of an insured in
9 order to receive a specific health care service, including a
10 prescription drug, covered by a health insurance policy.

11 (b) "Prescription drug" means that term as defined in section
12 17708 of the public health code, 1978 PA 368, MCL 333.17708.
13 However, prescription drug does not include a drug with an AB-rated
14 generic equivalent unless the insured obtains access to the drug
15 though any of the following:

16 (i) Prior authorization.

17 (ii) A step therapy protocol.

18 (iii) The insurer's exception process.

19 Enacting section 1. This amendatory act does not take effect
20 unless House Bill No. 5943 of the 100th Legislature is enacted into
21 law.

