HOUSE SUBSTITUTE FOR SENATE BILL NO. 1033

A bill to amend 1956 PA 218, entitled "The insurance code of 1956,"

(MCL 500.100 to 500.8302) by adding section 129.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 SEC. 129. (1) A MEDICAL RETAINER AGREEMENT IS NOT INSURANCE
- 2 AND IS NOT SUBJECT TO THIS ACT. ENTERING INTO A MEDICAL RETAINER
- 3 AGREEMENT IS NOT THE BUSINESS OF INSURANCE AND IS NOT SUBJECT TO
- 4 THIS ACT.
- 5 (2) A HEALTH CARE PROVIDER OR AGENT OF A HEALTH CARE PROVIDER
- 6 IS NOT REQUIRED TO OBTAIN A CERTIFICATE OF AUTHORITY OR LICENSE
- 7 UNDER THIS ACT TO MARKET, SELL, OR OFFER TO SELL A MEDICAL RETAINER
- 8 AGREEMENT.
- 9 (3) TO BE CONSIDERED A MEDICAL RETAINER AGREEMENT FOR THE
- 10 PURPOSES OF THIS SECTION, THE AGREEMENT MUST MEET ALL OF THE
- 11 FOLLOWING REQUIREMENTS:

- 1 (A) BE IN WRITING.
- 2 (B) BE SIGNED BY THE HEALTH CARE PROVIDER OR AGENT OF THE
- 3 HEALTH CARE PROVIDER AND THE INDIVIDUAL PATIENT OR HIS OR HER LEGAL
- 4 REPRESENTATIVE.
- 5 (C) ALLOW EITHER PARTY TO TERMINATE THE AGREEMENT ON WRITTEN
- 6 NOTICE TO THE OTHER PARTY.
- 7 (D) DESCRIBE AND QUANTIFY THE SPECIFIC ROUTINE HEALTH CARE
- 8 SERVICES THAT ARE INCLUDED IN THE AGREEMENT.
- 9 (E) SPECIFY THE FEE FOR THE AGREEMENT.
- 10 (F) SPECIFY THE PERIOD OF TIME UNDER THE AGREEMENT.
- 11 (G) PROMINENTLY STATE IN WRITING THAT THE AGREEMENT IS NOT
- 12 HEALTH INSURANCE.
- 13 (H) PROHIBIT THE HEALTH CARE PROVIDER AND THE PATIENT FROM
- 14 BILLING AN INSURER OR OTHER THIRD PARTY PAYER FOR THE SERVICES
- 15 PROVIDED UNDER THE AGREEMENT.
- 16 (I) PROMINENTLY STATE IN WRITING THAT THE INDIVIDUAL PATIENT
- 17 MUST PAY THE PROVIDER FOR ALL SERVICES NOT SPECIFIED IN THE
- 18 AGREEMENT AND NOT OTHERWISE COVERED BY INSURANCE.
- 19 (4) AS USED IN THIS SECTION:
- 20 (A) "HEALTH CARE PROVIDER" MEANS AN INDIVIDUAL OR OTHER LEGAL
- 21 ENTITY THAT IS LICENSED, REGISTERED, OR OTHERWISE AUTHORIZED TO
- 22 PROVIDE A HEALTH CARE SERVICE IN THIS STATE UNDER THE PUBLIC HEALTH
- 23 CODE, 1978 PA 368, MCL 333.1101 TO 333.25211. HEALTH CARE PROVIDER
- 24 INCLUDES AN INDIVIDUAL OR OTHER LEGAL ENTITY ALONE OR WITH OTHERS
- 25 PROFESSIONALLY ASSOCIATED WITH THE INDIVIDUAL OR OTHER LEGAL
- 26 ENTITY.
- 27 (B) "MEDICAL RETAINER AGREEMENT" MEANS A CONTRACT BETWEEN A

- HEALTH CARE PROVIDER AND AN INDIVIDUAL PATIENT OR HIS OR HER LEGAL 1
- 2 REPRESENTATIVE IN WHICH THE HEALTH CARE PROVIDER AGREES TO PROVIDE
- 3 ROUTINE HEALTH CARE SERVICES TO THE INDIVIDUAL PATIENT FOR AN
- 4 AGREED-UPON FEE AND PERIOD OF TIME.
- 5 (C) "ROUTINE HEALTH CARE SERVICE" MEANS ONLY THE FOLLOWING:
- 6 (i) SCREENING, ASSESSMENT, DIAGNOSIS, AND TREATMENT FOR THE
- PURPOSE OF PROMOTION OF HEALTH OR THE DETECTION AND MANAGEMENT OF 7
- DISEASE OR INJURY. 8
- 9 (ii) MEDICAL SUPPLIES AND PRESCRIPTION DRUGS THAT ARE DISPENSED
- 10 IN A HEALTH CARE PROVIDER'S OFFICE OR FACILITY SITE.
- (iii) LABORATORY WORK INCLUDING ROUTINE BLOOD SCREENING OR 11
- 12 ROUTINE PATHOLOGY SCREENING PERFORMED BY A LABORATORY THAT MEETS
- EITHER OF THE FOLLOWING REQUIREMENTS: 13
- (A) IS ASSOCIATED WITH THE HEALTH CARE PROVIDER THAT IS A 14
- 15 PARTY TO THE MEDICAL RETAINER AGREEMENT.
- (B) IF NOT ASSOCIATED WITH THE HEALTH CARE PROVIDER AS 16
- 17 DESCRIBED IN SUB-SUBPARAGRAPH (A), HAS ENTERED INTO AN AGREEMENT
- 18 WITH THE HEALTH CARE PROVIDER THAT IS A PARTY TO THE MEDICAL
- 19 RETAINER AGREEMENT TO PROVIDE THE LABORATORY WORK WITHOUT CHARGING
- 20 A FEE TO THE PATIENT FOR THE LABORATORY WORK.