

Act No. 522
Public Acts of 2014
Approved by the Governor
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STATE OF MICHIGAN
97TH LEGISLATURE
REGULAR SESSION OF 2014

Introduced by Senators Colbeck and Nofs

ENROLLED SENATE BILL No. 1033

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 129.

The People of the State of Michigan enact:

Sec. 129. (1) A medical retainer agreement is not insurance and is not subject to this act. Entering into a medical retainer agreement is not the business of insurance and is not subject to this act.

(2) A health care provider or agent of a health care provider is not required to obtain a certificate of authority or license under this act to market, sell, or offer to sell a medical retainer agreement.

(3) To be considered a medical retainer agreement for the purposes of this section, the agreement must meet all of the following requirements:

(a) Be in writing.

(b) Be signed by the health care provider or agent of the health care provider and the individual patient or his or her legal representative.

(c) Allow either party to terminate the agreement on written notice to the other party.

(d) Describe and quantify the specific routine health care services that are included in the agreement.

(e) Specify the fee for the agreement.

(f) Specify the period of time under the agreement.

(g) Prominently state in writing that the agreement is not health insurance.

(h) Prohibit the health care provider and the patient from billing an insurer or other third party payer for the services provided under the agreement.

(i) Prominently state in writing that the individual patient must pay the provider for all services not specified in the agreement and not otherwise covered by insurance.

(4) As used in this section:

(a) "Health care provider" means an individual or other legal entity that is licensed, registered, or otherwise authorized to provide a health care service in this state under the public health code, 1978 PA 368, MCL 333.1101 to 333.25211. Health care provider includes an individual or other legal entity alone or with others professionally associated with the individual or other legal entity.

(b) "Medical retainer agreement" means a contract between a health care provider and an individual patient or his or her legal representative in which the health care provider agrees to provide routine health care services to the individual patient for an agreed-upon fee and period of time.

(c) "Routine health care service" means only the following:

(i) Screening, assessment, diagnosis, and treatment for the purpose of promotion of health or the detection and management of disease or injury.

(ii) Medical supplies and prescription drugs that are dispensed in a health care provider's office or facility site.

(iii) Laboratory work including routine blood screening or routine pathology screening performed by a laboratory that meets either of the following requirements:

(A) Is associated with the health care provider that is a party to the medical retainer agreement.

(B) If not associated with the health care provider as described in sub-subparagraph (A), has entered into an agreement with the health care provider that is a party to the medical retainer agreement to provide the laboratory work without charging a fee to the patient for the laboratory work.

Carol Morey Viventi

Secretary of the Senate

Jay E. Randall

Clerk of the House of Representatives

Approved

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Governor