

SUBSTITUTE FOR  
HOUSE BILL NO. 4480

A bill to amend 1978 PA 368, entitled  
"Public health code,"  
(MCL 333.1101 to 333.25211) by adding section 21053f.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1        SEC. 21053F. A HEALTH MAINTENANCE ORGANIZATION THAT PRO-  
2 VIDES COVERAGE FOR PRESCRIPTION DRUGS AND LIMITS THOSE BENEFITS  
3 TO DRUGS INCLUDED IN A FORMULARY, SHALL DO ALL OF THE FOLLOWING:  
4        (A) PROVIDE FOR PARTICIPATION OF AFFILIATED PHYSICIANS AND  
5 PHARMACISTS IN THE DEVELOPMENT OF THE FORMULARY.  
6        (B) DISCLOSE TO HEALTH PROFESSIONALS AND UPON REQUEST TO  
7 ENROLLEES THE NATURE OF THE FORMULARY RESTRICTIONS.  
8        (C) PROVIDE FOR EXCEPTIONS FROM THE FORMULARY LIMITATION  
9 WHEN A NONFORMULARY ALTERNATIVE IS A MEDICALLY NECESSARY AND  
10 APPROPRIATE ALTERNATIVE. THIS SUBDIVISION DOES NOT PREVENT A  
11 HEALTH MAINTENANCE ORGANIZATION FROM ESTABLISHING PRIOR

**HB4480, As Passed House, May 4, 1999**

Sub. H.B. 4480 (H-1) as amended April 29, 1999

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- 1 AUTHORIZATION REQUIREMENTS OR ANOTHER PROCESS FOR CONSIDERATION
- 2 OF COVERAGE OR HIGHER COST-SHARING FOR NONFORMULARY ALTERNATIVES.  
[NOTICE AS TO WHETHER OR NOT AN EXCEPTION UNDER THIS SUBDIVISION HAS  
BEEN GRANTED SHALL BE GIVEN BY THE HEALTH MAINTENANCE ORGANIZATION  
WITHIN 24 HOURS AFTER RECEIVING ALL INFORMATION NECESSARY TO  
DETERMINE WHETHER THE EXCEPTION SHOULD BE GRANTED.]