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DIRECT REIMBURSEMENT FOR MEDICAL TRANSPORT SERVICES

House Bills 4437 and 4438
Sponsor: Rep. Stephen Ehardt
Committee: Health Policy

Complete to 4-2-03

A SUMMARY OF HOUSE BILLS 4437 AND 4438 AS INTRODUCED 3-20-03

House Bill 4437 would amend the Nonprofit Health Care Corporation Reform Act, which governs Blue Cross and Blue Shield of Michigan (BCBSM), and House Bill 4438 would amend the Insurance Code, to require that any BCBSM certificate, health insurance policy or certificate, and health maintenance organization (HMO) contract that provided benefits for medical transportation services, also provide for direct reimbursement to any provider of such (covered) services if the provider had not received payment for those services from any other source. The bills' requirement for direct reimbursement would not apply to a transaction between BCBSM, or an insurer or HMO, and a medical transportation service provider if the parties had entered into a contract that provided for direct payment.

The bills' requirement for direct reimbursement would be met if (a) a covered or insured individual filed a claim for a medical transportation service with BCBSM, the insurer, or the HMO, (b) that entity paid the provider directly, and (c) the provider did not demand payment from the individual until the provider received payment from BCBSM, the insurer, or the HMO, after which the provider could demand payment from the individual for any unpaid portion of the provider's fee.

The bills would take effect January 1, 2004.

Analyst: J. Caver

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