

HOUSE BILL No. 5840

February 17, 2010, Introduced by Rep. Lipton and referred to the Committee on Insurance.

A bill to amend 1963 PA 125, entitled

"An act to provide for the incorporation, supervision, and regulation of nonprofit dental care corporations; to prescribe the functions of the commissioner of insurance as to such corporations; to provide for the imposition of a regulatory fee; and to prescribe penalties for violations of this act,"

(MCL 550.351 to 550.373) by adding section 15a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 15A. (1) A DENTAL CARE CORPORATION SHALL NOT REQUIRE THAT
2 SERVICES PROVIDED BY A DENTIST BE PROVIDED AT A FEE SET BY THE
3 DENTAL CARE CORPORATION, EXCEPT FOR COVERED SERVICES PROVIDED TO A
4 COVERED SUBSCRIBER UNDER THE SUBSCRIBER AGREEMENT.

5 (2) A DENTAL CARE CORPORATION SHALL NOT IMPOSE A DEDUCTIBLE,
6 COPAYMENT, COINSURANCE, OR ANY OTHER REQUIREMENT IN SUCH A WAY AS
7 TO PROVIDE DE MINIMIS REIMBURSEMENT AND AVOID THE IMPACT OF THIS
8 SECTION. THE COMMISSIONER SHALL INVESTIGATE AND ISSUE A RULING ON

1 ALL COMPLAINTS ARISING UNDER THIS SECTION.

2 (3) AS USED IN THIS SECTION, "COVERED SERVICES" MEANS THOSE
3 HEALTH CARE SERVICES FOR WHICH REIMBURSEMENT IS AVAILABLE UNDER THE
4 DENTAL CARE CORPORATION CONTRACT AND THOSE HEALTH CARE SERVICES FOR
5 WHICH REIMBURSEMENT IS NOT AVAILABLE DUE ONLY TO AN UNEXPIRED
6 WAITING PERIOD, AN ANNUAL OR LIFETIME LIMITATION, MONETARY OR
7 FREQUENCY LIMITATION, OR OTHER LIMITATION APPLICABLE TO THE
8 COVERAGE FOR THE SERVICE. COVERED SERVICES DO NOT INCLUDE ANY OF
9 THE FOLLOWING:

10 (A) A SERVICE SELECTED BY THE PATIENT REQUIRING THE USE OF
11 MATERIAL DIFFERENT THAN THOSE COVERED BY THE DENTAL CARE
12 CORPORATION CONTRACT AND WITH A COST HIGHER THAN THE AMOUNT THE
13 CONTRACT WOULD PROVIDE FOR REIMBURSEMENT FOR THAT SERVICE, PROVIDED
14 THAT THE DENTIST HAS REQUESTED THE PATIENT TO PAY THE AMOUNT BY
15 WHICH THE COST OF THE SERVICE EXCEEDS THE CONTRACT REIMBURSEMENT
16 AND THE PATIENT HAS AGREED TO PAY THE EXCESS TO THE DENTIST.

17 (B) A SERVICE SUBJECT TO A COPAYMENT OBLIGATION GREATER THAN
18 50%.

19 (C) A SERVICE SUBJECT TO THE SATISFACTION OF A DEDUCTIBLE
20 AMOUNT GREATER THAN \$20.00 PER SERVICE OR ANY ANNUAL OR OTHER
21 DEDUCTIBLE AMOUNT THAT THE DENTAL CARE CORPORATION REASONABLY KNOWS
22 WILL NOT BE MET BY AT LEAST 50% OF THOSE SUBJECT TO THE DEDUCTIBLE
23 REQUIREMENT.

24 Enacting section 1. This amendatory act applies to a contract
25 entered into after the date this amendatory act is enacted into
26 law. For a contract in effect on or before the date this amendatory
27 act is enacted in law, this amendatory act applies on the date the

1 contract is next extended, renewed, or modified in any manner.