

SENATE BILL No. 1033

September 9, 2014, Introduced by Senators COLBECK and NOFS and referred to the Committee on Insurance.

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.

1 (3) TO BE CONSIDERED A MEDICAL RETAINER AGREEMENT FOR THE
2 PURPOSES OF THIS SECTION, THE AGREEMENT MUST MEET ALL OF THE
3 FOLLOWING REQUIREMENTS:

4 (A) BE IN WRITING.

5 (B) BE SIGNED BY THE HEALTH CARE PROVIDER OR AGENT OF THE
6 HEALTH CARE PROVIDER AND THE INDIVIDUAL PATIENT OR HIS OR HER LEGAL
7 REPRESENTATIVE.

8 (C) ALLOW EITHER PARTY TO TERMINATE THE AGREEMENT ON WRITTEN
9 NOTICE TO THE OTHER PARTY.

10 (D) DESCRIBE THE SPECIFIC ROUTINE HEALTH CARE SERVICES THAT
11 ARE INCLUDED IN THE AGREEMENT.

12 (E) SPECIFY THE FEE FOR THE AGREEMENT.

13 (F) SPECIFY THE PERIOD OF TIME UNDER THE AGREEMENT.

14 (G) PROMINENTLY STATE IN WRITING THAT THE AGREEMENT IS NOT
15 HEALTH INSURANCE.

16 (H) PROHIBIT THE HEALTH CARE PROVIDER, BUT NOT THE PATIENT,
17 FROM BILLING AN INSURER OR OTHER THIRD PARTY PAYER FOR THE SERVICES
18 PROVIDED UNDER THE AGREEMENT.

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

1 HEALTH CARE PROVIDER AND AN INDIVIDUAL PATIENT OR HIS OR HER LEGAL
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" INCLUDES, BUT IS NOT LIMITED
6 TO, THE FOLLOWING:

7 (i) SCREENING, ASSESSMENT, DIAGNOSIS, AND TREATMENT FOR THE
8 PURPOSE OF PROMOTION OF HEALTH OR THE DETECTION AND MANAGEMENT OF
9 DISEASE OR INJURY.

10 (ii) MEDICAL SUPPLIES AND PRESCRIPTION DRUGS THAT ARE DISPENSED
11 IN A HEALTH CARE PROVIDER'S OFFICE OR FACILITY SITE.

12 (iii) LABORATORY WORK INCLUDING ROUTINE BLOOD SCREENING OR
13 ROUTINE PATHOLOGY SCREENING PERFORMED BY A LABORATORY THAT MEETS
14 EITHER OF THE FOLLOWING REQUIREMENTS:

15 (A) IS ASSOCIATED WITH THE HEALTH CARE PROVIDER THAT IS A
16 PARTY TO THE MEDICAL RETAINER AGREEMENT.

17 (B) IF NOT ASSOCIATED WITH THE HEALTH CARE PROVIDER AS
18 DESCRIBED IN SUB-SUBPARAGRAPH (A), HAS ENTERED INTO AN AGREEMENT
19 WITH THE HEALTH CARE PROVIDER THAT IS A PARTY TO THE MEDICAL
20 RETAINER AGREEMENT TO PROVIDE THE LABORATORY WORK WITHOUT CHARGING
21 A FEE TO THE PATIENT FOR THE LABORATORY WORK.