

HOUSE BILL NO. 4683

June 25, 2025, Introduced by Reps. McFall, Bierlein, McKinney, Brixie, Rheingans, Breen, MacDonell, Arbit and Longjohn and referred to Committee on Insurance.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending section 3425 (MCL 500.3425), as amended by 2016 PA 276.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3425. (1) Except as otherwise provided in this
2 subsection, an insurer that delivers, issues for delivery, or
3 renews in this state a health insurance policy shall provide
4 coverage for **inpatient**, intermediate, and outpatient care for
5 **mental health** substance use disorder **that is medically necessary**.

1 This section does not apply to limited classification policies.

2 (2) Charges, terms, and conditions for the coverage required
3 to be provided under subsection (1) must not be less favorable than
4 the maximum prescribed for any other comparable service.

5 (3) The insurer shall not reduce the coverage required to be
6 provided under subsection (1) by terms or conditions that apply to
7 other items of coverage in a health insurance policy, group or
8 individual. This subsection does not prohibit an insurer from
9 providing in a health insurance policy deductibles and copayment
10 provisions for coverage for ~~intermediate and outpatient care for~~
11 **mental health and substance use disorder required under subsection**
12 **(1) .**

13 (4) **Utilization review and clinical review criteria for mental**
14 **health and substance use disorders must not deviate from generally**
15 **accepted standards of mental health and substance use disorder**
16 **care.**

17 (5) ~~(4)~~ As used in this section:

18 ~~(a) "Intermediate care" means the use, in a full 24-hour~~
19 ~~residential therapy setting, or in a partial, less than 24-hour,~~
20 ~~residential therapy setting, of any or all of the following~~
21 ~~therapeutic techniques, as identified in a treatment plan for~~
22 ~~individuals physiologically or psychologically dependent on or~~
23 ~~abusing alcohol or drugs:~~

24 ~~(i) Chemotherapy.~~

25 ~~(ii) Counseling.~~

26 ~~(iii) Detoxification services.~~

27 ~~(iv) Other ancillary services, such as medical testing,~~
28 ~~diagnostic evaluation, and referral to other services identified in~~
29 ~~the treatment plan.~~

~~(b) "Limited classification policy" means an accident only policy, a limited accident policy, a travel accident policy, or a specified disease policy.~~

~~(c) "Outpatient care" means the use, on both a scheduled and a nonscheduled basis, of any or all of the following therapeutic techniques, as identified in a treatment plan for individuals physiologically or psychologically dependent on or abusing alcohol or drugs:~~

~~(i) Chemotherapy.~~

~~(ii) Counseling.~~

~~(iii) Detoxification services.~~

~~(iv) Other ancillary services, such as medical testing, diagnostic evaluation, and referral to other services identified in the treatment plan.~~

~~(d) "Substance use disorder" means that term as defined in section 100d of the mental health code, 1974 PA 258, MCL 330.1100d.~~

(a) "Clinical review criteria" means that term as defined in section 3 of the patient's right to independent review act, 2000 PA 251, MCL 550.1903.

(b) "Generally accepted standards of mental health and substance use disorder care" means standards of care and clinical practice that are generally recognized by health care providers practicing in relevant clinical specialties such as psychiatry, psychology, clinical social work, addiction medicine and counseling, and behavioral health treatment. Valid, evidence-based sources establishing generally accepted standards of mental health and substance use disorder care include peer-reviewed scientific studies and medical literature, recommendations of nonprofit health care provider professional associations and specialty societies,

1 including, but not limited to, patient placement criteria and
2 clinical practice guidelines, recommendations of federal government
3 agencies, and drug labeling approved by the United States Food and
4 Drug Administration.

5 (c) "Limited classification policy" means an accident-only
6 policy, a limited accident policy, a travel accident policy, or a
7 specified disease policy.

8 (d) "Medically necessary" means a service or product
9 addressing the specific needs of that patient, for the purpose of
10 screening, preventing, diagnosing, managing, or treating a mental
11 health or substance use disorder or its symptoms, including
12 minimizing the progression of the mental health or substance use
13 disorder or its symptoms, in a manner that is all of the following:

14 (i) In accordance with the generally accepted standards of
15 mental health and substance use disorder care.

16 (ii) Clinically appropriate in terms of type, frequency,
17 extent, site, and duration.

18 (iii) Not primarily for the economic benefit of the insurer or
19 purchaser, or for the convenience of the patient, treating
20 physician, or other health care provider.

21 (e) "Utilization review" means that term as defined in section
22 3 of the patient's right to independent review act, 2000 PA 251,
23 MCL 550.1903.