

**THE NONPROFIT HEALTH CARE CORPORATION REFORM ACT (EXCERPT)**  
**Act 350 of 1980**

**550.1501b Conduct on behalf of or information provided to subscriber by health care provider; prohibition or discouragement by health care corporation.**

Sec. 501b. A health care corporation shall not prohibit or discourage a health care provider from advocating on behalf of a subscriber for appropriate medical treatment options pursuant to the grievance procedure in section 404 or from discussing with a subscriber or provider any of the following:

- (a) Health care treatments and services.
- (b) Quality assurance plans required by law, if applicable.
- (c) The financial relationships between the health care corporation and the health care provider including all of the following as applicable:
  - (i) Whether a fee-for-service arrangement exists, under which the provider is paid a specified amount for each covered service rendered to the participant.
  - (ii) Whether a capitation arrangement exists, under which a fixed amount is paid to the provider for all covered services that are or may be rendered to each covered individual or family.
  - (iii) Whether payments to providers are made based on standards relating to cost, quality, or patient satisfaction.

**History:** Add. 1997, Act 68, Imd. Eff. July 15, 1997.

**Popular name:** Blue Cross-Blue Shield

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