

## Michigan Statutes and Regulations

	<u>Statute/Regulation</u>	<u>Description</u>	<u>Comments</u>
<b>Prompt Payment of Claims</b>	Mich. Comp. Laws. Ann. § 500.2006(8)	<p><u>Deadline:</u> Clean claims must be paid within 45 days.</p> <p><u>Penalty:</u> A clean claim that is not paid within 45 days shall bear simple interest at a rate of 12% per annum.</p> <p><u>Information requests:</u> A health plan must notify the provider in writing within 30 days after receipt of the claim by the health plan of all known reasons that prevent the claim from being a clean claim. A provider has 45 days, and any additional time the health plan permits, after receipt of notice of defect in a claim to correct the defect. The 45 days is tolled until the receipt of additional information.</p> <p>A provider has up to one year after the date of service or the date of discharge to bill a health plan in order for a claim to be a “clean claim.”</p>	
<b>Prompt Payment of Workers’ Compensation Claims</b>	Mich. Admin. Code r. 418.10116 (Rule 116)	<p><u>Deadline:</u> Claims should be paid within 30 days.</p> <p><u>Penalty:</u> If the provider has not received payment within 30 days of submitting a bill, then the provider shall resubmit the bill to the carrier and add a 3% late fee.</p>	
<b>Pre-existing Conditions</b>	<p><u>HMO Plans</u></p> <p>Mich. Comp. Laws. Ann. § 500.3539</p>	<p>A health maintenance organization shall not exclude or limit coverage for a preexisting condition for an individual covered under a group contract (2 or more subscribers).</p> <p>For an individual covered under a non-group contract, a health maintenance organization may exclude or limit coverage for a condition only if the exclusion or limitation relates to a condition for which medical advice, diagnosis, care, or treatment was recommended or received within 6 months before enrollment and the exclusion or limitation does not extend for more than 6 months after the effective date of the health maintenance contract.</p>	

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<b>Pre-existing Conditions (cont'd)</b>	<u>Commercial Small Group Plans</u> Mich. Comp. Laws. Ann. § 500.3406f(1)(b)	For an individual covered under a group policy or certificate covering 2 to 50 individuals, an insurer may exclude or limit coverage for a condition, only if the exclusion or limitation relates to a condition for which medical advice, diagnosis, care, or treatment was recommended or received within 6 months before enrollment and the exclusion or limitation does not extend for more than 12 months after the effective date of the policy or certificate.	
	<u>Commercial Large Group Plan</u> Mich. Comp. Laws. Ann. § 500.3406f(1)(c)	For an individual covered under a group policy or certificate covering more than 50 individuals, an insurer may exclude or limit coverage for a condition, only if the exclusion or limitation relates to a condition for which medical advice, diagnosis, care, or treatment was recommended or received within 6 months before enrollment and the exclusion or limitation does not extend for more than 6 months after the effective date of the policy or certificate.	
	<u>Individual Policies</u> Mich. Comp. Laws. Ann. § 500.3406f(1)(a)	For an individual covered under an individual policy, an insurer may exclude or limit coverage for a condition, only if the exclusion or limitation relates to a condition for which medical advice, diagnosis, care, or treatment was recommended or received within 6 months before enrollment and the exclusion or limitation does not extend for more than 12 months after the effective date of the policy or certificate.	

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<b>Emergency Medical Treatment</b>	Mich. Comp. Laws. Ann. § 500.3406k	<p>A policy issued for delivery or renewed in Michigan that provides coverage for emergency health services and a health maintenance organization contract shall provide coverage for medically necessary services provided to an insured for the sudden onset of a medical condition that manifests itself by signs and symptoms of sufficient severity, including severe pain, such that the absence of immediate medical attention could reasonably be expected to result in serious jeopardy to the individual's health or to a pregnancy in the case of a pregnant woman, serious impairment to bodily functions, or serious dysfunction of any bodily organ or part.</p> <p>An insurer shall not require a physician to transfer a patient before the physician determines that the patient has reached the point of stabilization.</p> <p>An insurer shall not deny payment for emergency health services up to the point of stabilization provided to an insured because of either of the following:</p> <ul style="list-style-type: none"> <li>(a) The final diagnosis; or</li> <li>(b) Prior authorization was not given by the insurer before emergency health services were provided.</li> </ul>	

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<b>Utilization Review</b>	<p><u>Request for External Review; Limitations Period</u> Mich. Comp. Laws. Ann. § 550.1911</p> <p><u>Request for Expedited External Review</u> Mich. Comp. Laws. Ann. § 550.1913</p> <p><u>Final Administrative Remedies; Other Remedies</u> Mich. Comp. Laws. Ann. § 550.1915</p> <p><u>Requirements for Approval to Conduct External Reviews</u> Mich. Comp. Laws. Ann. § 550.1919</p>	<p>A covered individual or their representative may request an external review within 60 days of receipt of an adverse determination.</p> <p>A covered individual or their representative may request an expedited external review within 10 days after the covered person receives an adverse determination if the time frame for the completion of an external review would jeopardize the individual's health and the covered individual has filed a request for an expedited internal grievance.</p> <p>A person aggrieved by an external review decision or an expedited external review decision may seek judicial review no later than 60 days from the date of decision.</p> <p>An independent review organization must have qualified and impartial clinical peer reviewers to conduct external reviews in a timely manner.</p>	

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<b>Motor Vehicle Insurance</b>	<p><u>Accidental Bodily Injury</u> Mich. Comp. Laws. Ann. § 500.3105</p> <p><u>Personal Protection Benefits, Time Payable, Overdue Payments, Interest</u> Mich. Comp. Laws. Ann. § 500.3142</p> <p><u>Reasonable &amp; Customary Charges for Services</u> Mich. Comp. Laws. Ann. § 500.3157</p> <p><u>Limitations on Recovery by Insurers</u> Mich. Comp. Laws. Ann. § 500.3146</p>	<p>Insurer is liable to pay benefits for accidental bodily injury without regard to fault.</p> <p><u>Deadline:</u> Personal protection insurance benefits must be paid within 30 days after proof of loss.</p> <p><u>Penalty:</u> Claims not paid within 30 days are subject to a penalty of 12% per year.</p> <p>Hospital may only charge reasonable and customary rates for products, services and accommodations.</p> <p>Refund requests must be made by the insurer within 1 year after payment has been received.</p>	
<b>Spousal Liability</b>	N/A	Neither a husband nor a wife is liable, absent express agreement, for the necessary medical treatment supplied to the other. See <u>North Ottawa Community Hosp. v. Kieft</u> , 578 N.W.2d 267 (Mich., 1998).	

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<p><b>Coordination of Benefits</b></p>	<p><u>Group Plans</u> Mich. Comp. Laws. Ann. § 550.253</p>	<p>The benefits of a policy or certificate that covers the person on whose expenses the claim is based other than as a dependent shall be determined before the benefits of a policy or certificate that covers the person as a dependent. However, if the person is a medicare beneficiary, medicare is secondary to the policy or certificate covering the person as a dependent and primary to the policy or certificate covering the person as other than a dependent, then the order of benefits is reversed and the policy or certificate covering the person as other than a dependent is secondary and the policy or certificate covering the person as a dependent is primary.</p> <p>If 2 policies or certificates cover a person on whose expenses the claim is based as a dependent, the benefits of the policy or certificate of the person whose birthday anniversary occurs earlier in the calendar year shall be determined before the benefits of the policy or certificate of the person whose birthday anniversary occurs later in the calendar year. If the birthday anniversaries are identical, the benefits of a policy or certificate that has covered the person on whose expenses the claim is based for the longer period of time shall be determined before the benefits of a policy or certificate that has covered the person for the shorter period of time.</p> <p><u>Minor Children:</u> If the parents of the minor child are divorced, and the parent with custody of the child has remarried, the benefits of a policy or certificate that covers the minor child as a dependent of the custodial parent shall be determined before the benefits of a policy or certificate that covers the minor child as a dependent of the spouse of the custodial parent, and the benefits of a policy or certificate that covers the minor child as a dependent of the spouse of the custodial parent shall be determined before the benefits of a policy or certificate that covers the minor child as a dependent of the noncustodial parent.</p>	