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3 **Title: Payment of Claims With Prior Authorization on File**
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5 **Introduced by: Alan M. Mindlin MD, and John Y. Koh MD, for the Oakland**
6 **County Delegation**
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8 **Original Authors: Alan M. Mindlin MD, and John Y. Koh MD**
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10 **Referred to: Reference Committee B**
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12 **House Action: Adopted**
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15 **Whereas, prior authorization is often necessary for certain procedures**
16 **and/or surgeries or it is a requirement by insurance carriers to notify an insurance**
17 **carrier of such, and**

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19 **Whereas, in many cases, insurance carriers have gone to automated**
20 **messages that state “no prior authorization is required if done as an outpatient”**
21 **and then disconnects the call, and**

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23 **Whereas, many insurance carriers give authorization numbers for proposed**
24 **procedures and/or surgeries, and**

25
26 **Whereas, the procedure/surgery is performed based in good faith based on**
27 **this information, and**

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29 **Whereas, a claim for professional services is submitted in good faith and it**
30 **is denied based on “lack of information or no authorization on file,” and**

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32 **Whereas, patients become upset with physicians when presented with a**
33 **statement for professional services based on the denial of their insurance**
34 **company even though both the patient and physician were under the impression**
35 **this was a covered service; therefore be it**

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37 **RESOLVED: That MSMS seek legislation that mandates all insurance**
38 **carriers who insure any Michigan citizen who have automated messages that state**
39 **“no prior authorization is required if done as an outpatient” be mandated to pay**
40 **the claim as a clean claim; and be it further**

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42 **RESOLVED: That MSMS seek legislation that mandates insurance carriers**
43 **who insure any Michigan citizen be mandated to pay as clean claims those claims**
44 **that have an authorization number on file.**

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47 **WAYS AND MEANS COMMITTEE FISCAL NOTE: NONE**
