

Title: Exemption of Release of Co-pay Obligations When Children’s Special Health Care Services (CSHCS), Michigan Medicaid or Michigan Medicaid Product is the Secondary Insurance

Introduced by: Domenic R. Federico, MD, for the Kent County Delegation

Original Author: Patrick J. Droste, MD

Referred to: Reference Committee A

House Action:

Whereas, co-pay amounts determined by a patient’s insurer need to be collected at the time the service is rendered, and

Whereas, co-pays are the responsibility of the patient requesting services, and

Whereas, co-pays have steadily increased in dollar amount over the past several years, such that co-pays may cover a significant dollar amount of the total office charge, and

Whereas, co-pays frequently are the only payment that a provider may collect, and

Whereas, co-pays are “written-off” when CSHCS, Michigan Medicaid or a Michigan Medicaid product are the secondary insurance, and

Whereas, patients with secondary coverage from CSHCS, Michigan Medicaid or a Michigan Medicaid product do not pay co-pays at the time of service because their primary insurance is billed first with the secondary coverage from CSHCS, Michigan Medicaid, or Michigan Medicaid product billed for the balance, and

Whereas, CSHCS, Michigan Medicaid, or a Michigan Medicaid product pays less than the fee schedule of the primary insurance, therefore no payment is received from the secondary on the balance owed, and

Whereas, providers are by law prohibited from billing the patient for the co-pay when CSHCS, Michigan Medicaid or a Michigan Medicaid product is the secondary insurance; therefore be it

RESOLVED: That MSMS ask for legislation that would require collection of co-pay at time of services for all plans that require co-pay prior to billing primary and secondary insurances.

WAYS AND MEANS COMMITTEE FISCAL NOTE: NONE