

Administrative Rule Analysis



SURPRISE MEDICAL BILLING

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Rule Set No.: 2020-113 IF
Submitted to JCAR on: 5/10/21

Analysis available at
<http://www.legislature.mi.gov>

Department: Insurance and Financial Services
Agency: NA
Enabling Statute: Public Health Code, 1978 PA 368, MCL 333.24517 et seq.

Analysis Complete to: 5/10/22

BACKGROUND AND SUMMARY OF PROPOSED RULES

Rule Set 2020-113 IF would make numerous rule additions to implement provisions of the Public Health Code, specifically MCLs 333.24510 and 333.24511. The rule set would establish procedures for the Department of Insurance and Financial Services (DIFS) to review and resolve requested calculation determinations, establish procedures for processing binding arbitration requests, and establish standards for approving arbitrators to provide binding arbitration.

FISCAL IMPACT OF PROPOSED RULES

DIFS anticipates that 2020-113 IF would require the department to retain an additional FTE (full-time equated classified position) to process calculation reviews and arbitration requests. The exact cost associated with the additional FTE is presently indeterminate, but according to the 41st Annual Workforce Report issued by the Michigan Civil Service Commission, the average cost of a classified employee in FY 2019-20 totaled approximately \$113,100, which includes salary and fringe benefit costs. DIFS anticipates that all incurred costs related to 2020-113 IF would be supported using state restricted funding. 2020-113 IF is not anticipated to have a fiscal impact on any other state or local government units.

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