

**Testimony for the House Insurance Committee**  
**Michigan Orthopedic Society**  
**October 3, 2017**  
**HB 5013**

On Behalf of the Michigan Orthopedic Society (MOS), we are writing to express our **opposition** to HB 5013 that would significantly alter Michigan's auto no-fault system and the benefits applied to accident victims.

As medical providers, specifically in our specialty of orthopedic care, we often treat severe and life changing injuries to patients injured as a result of an auto injury. Orthopedic surgeons are present in hospital emergency rooms to provide trauma care as well as continuing care for more extensive and severe skeletal related injuries that can include injuries to the spine and other major bones.

As trauma specialists, we are very concerned with the changes outlined in HB 5013 and how it may impact our patients future wellbeing and our ability to provide the care they require. For instance, HB 5013 creates a *utilization review* process,

Sec. 3157A (7) defines "utilization review" as the initial evaluation by an insurer or the association created under section 3104 of the appropriateness in terms of both the level and the quality of treatment, products, services, or accommodations provided under this chapter based on medically acceptable standards.

The legislation does not set any guidelines or limitations on how far or in what ways the Insurance bureau can limit the scope of medical care and treatment that auto accident victims can be reimbursed for their care. HB 5013 provides that treatment and services rendered "*longer in duration*" or "*more frequent*" than which is "*usually*" required, can be deemed non-compensable. This new language creates more administrative burdens and potential hearings for policy holders and medical providers. Sec. 3157(7)

The first priority for a physician is to provide care. Auto accidents can be devastating to the victims and their families. The new regulations created in HB 5013 are particularly onerous for providers providing medical care to auto accident victims, which include:

- Providers will be required to submit voluminous documentation to insurance companies that is far beyond what is required under current law, including extensive past billing and charge history of the provider, Sec. 3157 (4)(A)-(J);
- Providers may be forced to refund payments to insurance companies with substantial interest penalties if the insurer alleges, and the agency determines, that the service "*was not medically necessary*;"
- Providers refusing to refund payments to insurance companies can be sued by the insurer and be held liable for attorney fees and costs in the event refunds are ordered; and