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BILL



ANALYSIS

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House Bill 5458 (Substitute H-4 as passed by the House)

Sponsor: Representative Michelle McManus

House Committee: Human Services

Senate Committee: Families, Mental Health and Human Services

Date Completed: 2-15-96

CONTENT

The bill would amend the Social Welfare Act to prohibit a health care professional, or a health facility or agency, from accepting reimbursement from public funds for performing an abortion. The bill would define "abortion" as the intentional use of an instrument, drug, or other substance or device to terminate a woman's pregnancy for a purpose other than to increase the probability of a live birth, to preserve the life or health of the child after live birth, or to remove a dead fetus. Abortion would not include the use or prescription of a drug or device intended as a contraceptive.

Specifically, the bill would prohibit health care professionals and health facilities and agencies that were licensed or registered under the Public Health Code from seeking or accepting reimbursement to perform an abortion if they knew that public funds were or would be used, in whole or in part, for the reimbursement in violation of the Social Welfare Act. (The Act specifies that, "Notwithstanding any other provision of this act, an abortion shall not be a service provided with public funds to a recipient of welfare benefits, whether through a program of medical assistance, general assistance, or categorical assistance or through any other type of public aid or assistance program, unless the abortion is necessary to save the life of the mother. It is the policy of this state to prohibit the appropriation of public funds for the purpose of providing an abortion to a person who receives welfare benefits unless the abortion is necessary to save the life of the mother. (MCL 400.109a) Pursuant to U.S. District Court and Court of Appeals decisions, the State also must cover Medicaid-funded abortions for eligible women who are pregnant as a result of rape or incest.)

A violation of the bill would constitute a misdemeanor punishable by imprisonment for up to 90 days, a fine of up to \$100, or both.

The bill specifies that it would not restrict the right of a physician to discuss abortion or abortion services with a pregnant patient, or create a right to an abortion, and that a person could not perform an abortion that was prohibited by law.

Proposed MCL 400.109d

Legislative Analyst: L. Burghardt

FISCAL IMPACT

The bill would have an indeterminate fiscal impact. While there appears to be anecdotal information that some Medicaid-eligible women receive abortions by having providers bill the Medicaid program for related “pregnancy” services and then paying a nominal fee for the actual abortion, there are no definitive data as to how often these events actually occur.

One, however, can compare the approximate cost, for a single case, of abortion versus delivery. Charges for first trimester abortions run between \$250 and \$300. Second trimester abortions will cost around \$400 through the 16th week and any abortions thereafter become progressively more expensive. The total (professional pre- and post-delivery, ancillary and facility) charges will run from \$5,700 for an uncomplicated vaginal delivery to \$9,200 for an uncomplicated caesarian delivery. Obviously, any complications will only increase the total delivery charges. Likewise, a live delivery produces additional costs to the government in terms of the incremental additional costs in welfare grant payments, food stamps, and ongoing medical costs. All cost estimates are gross, meaning that the State would only be liable for about 44% of “pregnancy” related costs followed by an abortion (for which the State has no financial obligation), as well as delivery and subsequent public assistance costs.

Fiscal Analyst: J. Walker

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