

Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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Senate Bills 645, 646, and 647 (as introduced 6-10-99)
Senate Bill 794 (as introduced 10-7-99)
Sponsor: Senator Dave Jaye (Senate Bill 645)
 Senator Bev Hammerstrom (Senate Bill 646)
 Senator Philip E. Hoffman (Senate Bill 647)
 Senator Joanne G. Emmons (Senate Bill 794)
Committee: Families, Mental Health and Human Services

Date Completed: 10-20-99

CONTENT

Senate Bills 645, 646, and 647 would amend the Insurance Code, the Nonprofit Health Care Corporation Reform Act, and the Public Health Code, respectively, to prohibit a health insurance policy, a Blue Cross and Blue Shield of Michigan (BCBSM) certificate, and a health maintenance organization (HMO) contract from providing coverage for elective abortions without an optional rider for that coverage purchased at additional cost.

Senate Bill 794 would amend the Public Health Code to prohibit a health care provider or facility from seeking or accepting reimbursement from an insurer, HMO, or BCBSM for elective abortion services unless reimbursement was from an optional rider under Senate Bill 645, 646, or 647.

Under all four bills, "elective abortion" would mean 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, preserve the life or health of the child after live birth, or remove a dead fetus. The term would not include either the prescription or use of a drug or device intended as a contraceptive or the intentional use of an instrument, drug, or other substance or device by a physician to terminate a woman's pregnancy if her physical condition, in the physician's reasonable medical judgment, necessitated the termination of pregnancy to avert the woman's death.

Senate Bills 645, 646, and 647 would define "physician" as an individual licensed to practice allopathic medicine or osteopathic medicine and surgery under the Public Health Code.

All four bills specify that they would not create a right to abortion and that, notwithstanding any other provision of the bills, a person could not perform an abortion that was prohibited by law.

Senate Bills 645, 646, and 647

Under the bills, an expense-incurred hospital, medical, or surgical policy or certificate delivered, issued for delivery, or renewed in Michigan, a BCBSM group or nongroup certificate, and an HMO group or individual contract could not provide coverage for elective abortions unless both of the following applied:

- The insured, BCBSM member, or HMO enrollee had individually selected, by optional rider, the elective abortion coverage.
- An additional premium for the optional elective abortion coverage rider had been paid by the insured, member, or enrollee or the insured, member, or enrollee had individually consented, in writing, to the premium being paid by the group purchaser of coverage.

The bills would apply to insurance policies or certificates delivered, issued for delivery, or renewed, BCBSM certificates issued or renewed, and HMO contracts issued or renewed in Michigan after the bills' effective dates.

Senate Bill 794

Under the bill, neither a licensed or registered health care professional nor a health facility or agency could seek or accept reimbursement from an insurer, HMO, or BCBSM for any services provided that were directly related to the performance of an elective abortion, unless the reimbursement sought or accepted were from an optional rider provided under Senate Bill 645, 646, or 647. The bill could not be construed to affect legitimate and routine obstetric care, diagnostic testing, or other nonabortion procedures.

In addition to administrative penalties prescribed under the Public Health Code, a licensed or registered health care professional or a health facility or agency that violated the bill would be liable for a civil fine of up to \$10,000 per violation. The Department of Consumer and Industry Services (DCIS) would have to investigate an alleged violation of the bill, and the Attorney General, in cooperation with the DCIS, could bring an action to enforce the bill.

The bill specifies that it would not restrict the right of a licensed or registered health care professional, or other health facility or agency employee, to discuss abortion or abortion services with a patient who was pregnant.

Proposed MCL 500.3407b (S.B. 645)
550.1402c (S.B. 646)
333.21053f (S.B. 647)
333.16240 & 333.20195

Legislative Analyst: P. Affholter

FISCAL IMPACT

The bills would have an indeterminate fiscal impact on State and local government. Enforcement costs and revenue generated from fines under Senate Bill 794 would depend on the number of violations. Senate Bills 645, 646, and 647 would have no fiscal impact on the DCIS.

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.