

**FETAL DEATH AND STILLBIRTH RECORDS  
HOSPITAL QUALITY ASSURANCE ASSESSMENT**



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**FISCAL ANALYSIS**

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**SENATE BILL 1323 AS PASSED THE HOUSE**

**Sponsor:** Sen. Loren Bennett

**House Committee:** Family and Children Services

**REVISED FLOOR ANALYSIS - 9/30/02**

**Analysts:** Susan Frey, Bill Fairgrieve

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**SUMMARY**

Senate Bill 1323, as passed by the House, amends the Public Health Code to change the reporting of a fetal death as of June 1, 2003, from a form with no identifying data to a form prescribed by the state registrar of the Department of Community Health (DCH). After June 1, 2003, a fetal death report will be a permanent vital record with access the same as to a live birth record. The bill creates a certificate of stillbirth which includes identifying information of a fetal death, and also establishes that vital records are not subject to the provisions of the Freedom of Information Act.

Fetal deaths totaled 787 in Michigan in the year 2000. The bill's fiscal impact to the state is the cost DCH will incur to revise the reporting formats, develop a certificate of stillbirth, publicize the changes to reporting entities, and incorporate the reporting of fetal death into its vital recordkeeping system.

Senate Bill 1323, as reported by the House Family and Children Services Committee and passed by the House, also establishes a hospital quality assurance assessment fee to provide an increases in hospital Medicaid reimbursement rates. In addition, the bill makes an appropriation of \$149.2 million to the Department of Community Health for this purpose in FY 2002-03, and specifies that \$18.9 million of the quality assurance assessment fee shall be deposited in the general fund. The bill does not increase State GF/GP costs because the higher Medicaid payment rates are funded by the assessment fee and federal Medicaid matching funds. For FY 2002-03 only, there is a net savings to the State of \$18.9 million, as noted above.

Similar provider fees were enacted earlier this year for nursing homes (Public Act 303) and HMOs (Public Act 304) that are also used to finance Medicaid rate increases in those areas. The Governor vetoed House Bill 5103, a previous bill adopted by the Legislature to establish a hospital quality assurance assessment fee.