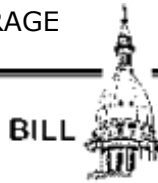




Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

**BILL ANALYSIS**

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bills 431 and 432 (as introduced 4-26-05)
Sponsor: Senator Martha G. Scott (S.B. 431)
Senator Bev Hammerstrom (S.B. 432)
Committee: Health Policy

Date Completed: 2-6-06

CONTENT

Senate Bills 431 and 432 would amend the Insurance Code and the Nonprofit Health Care Corporation Reform Act, respectively, to require a policy or certificate that provides prescription coverage to include coverage for any prescribed drug or device approved by the U.S. Food and Drug Administration for use as a contraceptive.

The coverage required under the bills could not be subject to any dollar limit, copayment, deductible, or coinsurance provision that did not apply to prescription coverage generally.

Senate Bill 431 would apply to an expense-incurred hospital, medical, or surgical policy or certificate delivered, issued for delivery, or renewed in this State, and to a health maintenance organization group or individual contract. Senate Bill 432 would apply to a Blue Cross and Blue Shield of Michigan certificate.

Proposed MCL 500.3406s (S.B. 431)
Proposed MCL 550.1416e (S.B. 432)

Legislative Analyst: Julie Koval

FISCAL IMPACT

The bills would require insurers to cover contraceptives in the same manner that other pharmaceuticals are covered. As the State's Medicaid program and State employees both have contraceptive coverage, the bills should not have a fiscal impact on the State. To the extent that health insurance for local units does not cover contraceptive services, there could be a slight increase in direct costs.

Fiscal Analyst: Steve Angelotti

S0506\sb431sa

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.