



Senate Fiscal Agency  
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**BILL ANALYSIS**

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Senate Bill 736 (as reported by the Committee of the Whole)

(as enrolled)

Sponsor: Senator Mike Goschka

Committee: Appropriations

**CONTENT**

The bill would amend Public Act 119 of 1984, which regulates county jails, to provide that if a person charged with a violation of State law or a municipal ordinance, who is being housed in the county jail, receives medical care or treatment, and that individual is covered by a health policy, certificate of insurance, or another source for the payment of medical expenses, the health care provider first would have to seek reimbursement of medical expenses (subject to the terms and conditions of the health care policy or Medicaid contract) from the appropriate insurance company, health care corporation, or other source before submitting those expenses to the county.

Currently, the county board of commissioners may seek reimbursement for expenses incurred in providing medical care and treatment first from the person charged, and then from the person's insurance company, health care corporation, or other source, if the person is covered by a policy, certificate, or other source. The bill would require the health care provider to seek such reimbursement before submitting those expenses to the county board of commissioners for reimbursement.

MCL 801.4 & 801.4a

**FISCAL IMPACT**

The bill would have no fiscal impact on State government yet could generate savings for local units of government. The savings would depend on how many people charged under the bill who received medical treatment, also had qualifying insurance coverage eligible for reimbursement. Those data are currently unavailable. As reference, Section 910 of Public Act 345 of 2004 (the annual appropriations bill for the Department of Corrections) requires the Department of Corrections to seek reimbursement from health insurance providers for prisoners who receive medical treatment. According to the Department, it has been unable to discover any health insurance providers that maintain coverage of clients who become incarcerated, due to discontinuation clauses in many policies for such individuals. According to the Department's web site, it has been unable to collect any reimbursements from health insurance providers for prisoner medical expenses. The Department does collect from prisoners determined to have adequate funds available for all costs of incarceration including health care.

Date Completed: 10-19-05

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