

CRIME VICTIM AWARDS TO HEALTH CARE PROVIDERS

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House Bill 6602 As Passed By the Senate
Sponsor: Representative Paul Condino

Senate Bill 1629 As Passed By the Senate
Sponsor: Senator Bill Hardiman
Committee: Judiciary

Date of Analysis: 12/09/08

BRIEF SUMMARY:

The Senate has tie-barred and passed two bills, HB 6602 and SB 1629, that together allow health care providers to directly apply to the Crime Victim Services Commission in the Department of Community Health for compensation for costs related to a sexual assault medical forensic examination. The bills prohibit health care providers from billing the victim for these costs. The bills permit these costs to be paid by the Commission as a primary payor, rather than the payor of last resort, including cases when the victim does not permit the provider to submit a claim to an insurer due to concern for his or her safety or privacy which the bills provide for. The bills state that a victim of sexual assault shall not be required to interact with law enforcement as a condition of receiving a forensic exam. (As passed by the House, HB 6602 included all of the provisions of the two Senate-passed bills, with higher reimbursement amounts and one difference in Sec. 4(1)(c).)

Currently the Crime Victim Services Commission provides financial reimbursement of qualified costs to victims of crime who suffer bodily injury. A crime victim, including a victim of sexual assault, may apply for victim compensation of up to \$15,000, including medical costs incurred related to the crime, such as a forensic examination. Currently, this program serves as the payor of last resort pursuant to state and federal law, and compensation is awarded only when there is no other means to pay.

FISCAL IMPACT:

DEPARTMENT OF COMMUNITY HEALTH: Together, these bills will increase state crime victim compensation awards by possibly \$1.0-\$2.0 million or more as passed by the Senate. The current program is funded at \$4.3 million with \$2.6 million of state restricted Crime Victim's Rights Fund monies and \$1.7 million of federal Victims of Crime Act victim compensation grant funds. There is a 2-year lag in federal grant reimbursement of state compensation costs.

In FY 2006-07 compensation to victims for forensic exams related to sexual assault was awarded in a total amount of \$55,200 to 46 eligible claimants, at a cost of \$1200 per examination. Based on data from other states, the Department considers it possible for as many as 2,500 claims to be made for forensic exam compensation under the provisions of the bills. At \$1,200 per exam for 2500 claims, this cost would be \$3.0 million. The Senate-passed bill limits the total per-exam compensation to \$600, 50% of the approximate cost, or \$1.5 million for 2,500 awards.

The number of eligible claims could be significantly higher. Over 5,300 sexual assaults were reported to police in Michigan in 2006 according to the Uniform Crime Report. This count does not include unreported cases, which are eligible for forensic exam reimbursement under the bills.

An increase in expenditure of the Crime Victim's Rights Fund of \$2.9 million would accelerate the reduction of a balance of the Fund, as expenditures have exceeded revenues of the fund since FY 2003. The Fund balance carried forward into FY 2007-08 was \$11.7 million. The Fund currently supports victim services and victim compensation.

DEPARTMENT OF HUMAN SERVICES: This bill also enables Michigan to satisfy a requirement of federal STOP Violence Against Women grant funds received by the Department of Human Services. Effective January 2009, STOP grant eligibility requires that recipient states have a process in place for forensic examinations of victims of sexual assault to be paid by the state in any case, whether or not law enforcement is called.

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