

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

SFA

BILL ANALYSIS

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

House Bill 4828 (Substitute H-4 as passed by the House)
House Bill 4830 (Substitute H-4 as passed by the House)
House Bill 4983 (Substitute H-2 as passed by the House)
Sponsor: Representative Lauren Hager (House Bill 4828)
Representative Robert Gosselin (House Bill 4830)
Representative Bob Brown (House Bill 4983)
House Committee: Insurance and Financial Services
Senate Committee: Families, Mental Health and Human Services

Date Completed: 12-6-00

CONTENT

House Bill 4828 (H-4) and House Bill 4830 (H-4) would amend, respectively, the Nonprofit Health Care Corporation Reform Act, which governs Blue Cross and Blue Shield of Michigan (BCBSM), and the Insurance Code, to prohibit health coverage providers from offering coverage for an “elective abortion” except by an optional rider paid for by the purchaser. House Bill 4828 (H-4) would apply to a BCBSM group or nongroup certificate and House Bill 4830 (H-4) would apply to an insurance policy or certificate and a health maintenance organization (HMO) group or individual contract. The bills would not apply to benefits provided under Medicaid.

House Bill 4983 (H-2) would amend the Public Health Code to prohibit a health professional and a health facility or agency from seeking or accepting reimbursement from an insurer, HMO, or health care corporation for any services provided that were directly related to the performance of an elective abortion unless the reimbursement was from an optional rider as would be required under House Bills 4828 (H-4) or 4830 (H-4).

Each of the three bills specifies that it would not create a right to abortion and that, notwithstanding any other provision in the bill, a person could not perform an abortion that was prohibited by law.

Under all three 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, to preserve the life or health of the child after live birth, or to remove a dead fetus. “Elective abortion” would not include either of the following:

- The prescription or use of a drug or device intended as a contraceptive.
- 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 her pregnancy to avert her death.

The bills would take effect on July 1, 2001.

House Bills 4828 (H-4) & 4830 (H-4)

The bills would prohibit BCBSM, an HMO, and an expense-incurred hospital, medical, or surgical policy or certificate delivered, issued, or renewed in Michigan from providing coverage for elective abortions except by an optional rider for which an additional premium had been paid by the purchaser. An employer could buy an optional rider to provide coverage for an elective abortion if both of the following were met:

- The cost of the rider was not factored into any premium amount for which individual employees contributed a portion of the premium paid, either directly or through payroll deduction.

-- The employer provided notice to each employee that elective abortion would be included as a rider to his or her health coverage or benefits and that the coverage could be used by a minor or dependent female without notice to the employee.

The bills would not require BCBSM, an insurer, an HMO, or an employer to provide or offer to provide an optional rider for elective abortion coverage. The bills would apply to certificates, policies, or contracts delivered, issued, or renewed in Michigan after July 1, 2001.

House Bill 4983 (H-2)

The bill would prohibit a person licensed or registered under the Public Health Code and a health facility or agency from seeking or accepting 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 was from an optional rider provided under the Nonprofit Health Care Corporation Reform Act or the Insurance Code, as it would be amended by House Bill 4828 (H-4) or 4830 (H-4).

House Bill 4983 (H-2) specifies that it could not be construed to affect legitimate and routine obstetric care, diagnostic testing, or other nonabortion procedures. The bill also states that it would not restrict the right of a health care professional or a health facility or agency employee to discuss abortion or abortion services with a patient who was pregnant.

In addition to administrative penalties under the Code, a licensee or registrant who violated the bill, 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 and the Attorney General, in cooperation with the DCIS, could bring an action to enforce the bill.

Proposed MCL 550.1402d (H.B. 4828)

Legislative Analyst: P. Affholter

Proposed MCL 500.8302 (H.B. 4830)

Proposed MCL 333.16240 & 333.20195 (H.B. 4983)

FISCAL IMPACT

House Bills 4828 (H-4) & 4830 (H-4)

Fiscal information is not available at this time.

House Bill 4983 (H-2)

The bill would require the Office of Health Services and Bureau of Health Systems to conduct additional investigations of health professionals and health facilities that were found to be in violation of the bill. The bill would authorize the Department to assess fines, which would offset these additional costs.

Fiscal Analyst: J. Walker
M. Tyszkiewicz

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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.