



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bills 332 through 335 (as introduced 3-1-07)

Sponsor: Senator Gilda Z. Jacobs (S.B. 332)
Senator Gretchen Whitmer (S.B. 333)
Senator Liz Brater (S.B. 334)
Senator Hansen Clarke (S.B. 335)

Committee: Health Policy

Date Completed: 5-12-08

CONTENT

Senate Bills 332 and 333 would amend the Nonprofit Health Care Corporation Reform Act, and Senate Bills 334 and 335 would amend the Insurance Code, to require that policies for mental health and substance abuse services issued by health insurance providers, health maintenance organizations (HMOs), and Blue Cross and Blue Shield of Michigan (BCBSM) not be more restrictive or costly than policies for medical services.

Specifically, for policies, certificates, or contracts that provided coverage for mental health services issued or renewed on or after January 1, 2008, the insurer, HMO, or BCBSM would have to provide cost-sharing requirements and benefit or service limitations for inpatient and outpatient mental health and substance abuse services that did not place a greater financial burden on the insured, enrollee, or member and were not more restrictive than those requirements and limitations for inpatient and outpatient medical services.

Senate Bills 332 and 333 would apply to outpatient and inpatient services, respectively, under a BCBSM certificate. Senate Bills 334 and 335 would apply to inpatient and outpatient services, respectively, under a policy or certificate issued by an insurer and an HMO contract. All of the bills are tie-barred to each other.

Proposed MCL 550.1416e (S.B. 332)
Proposed MCL 550.1416f (S.B. 333)
Proposed MCL 500.3406t (S.B. 334)
Proposed MCL 500.3406s (S.B. 335)

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bills have the potential to increase significantly the cost of health insurance provided to employees of both the State and local governments. The extent of the fiscal burden imposed by these bills could be estimated through an in-depth analysis of the use of mental health benefits and services by current employees. Absent this detailed information, however, it is difficult to estimate the fiscal impact associated with this package of bills.

Fiscal Analyst: Matthew Grabowski

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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.