



Senate Fiscal Agency  
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BILL ANALYSIS

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Senate Bill 1111 (Substitute S-1 as reported)

Sponsor: Senator Kevin Hertel

Committee: Health Policy

### **CONTENT**

The bill would amend Chapter 34 (Disability Insurance Policies) of the Insurance Code to do the following:

- Exempt retiree-only health insurance coverage from requirements related to coverage for dependents.
- Allow retiree-only health insurance coverage and non-grandfathered health plan coverage to place lifetime or annual limits on the dollar value of essential health benefit coverage.
- Exempt non-grandfathered health plan coverage and retiree-only health insurance coverage from the requirement to provide essential health benefits like hospitalization and pregnancy care.
- Exempt insurance coverage that provided benefits for fixed indemnity, short-term duration policy, and non-grandfathered health plan coverage from the prohibition on limiting or excluding coverage based on a pre-existing condition.

MCL 500.3403 et al.

### **BRIEF RATIONALE**

In 2023, Public Acts (PAs) 156 to 163 codified provisions of the Affordable Care Act (ACA) into the Insurance Code, such as prohibitions against exclusion of coverage due to a pre-existing condition. According to testimony, these PAs did not incorporate all the intended provisions of the ACA. The bill would further incorporate some of the intended ACA provisions, including amendments to the Insurance Code to exempt certain plans from providing benefits for pre-existing conditions in accordance with the ACA.

Legislative Analyst: Alex Krabill

### **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Date Completed: 12-12-24

Fiscal Analyst: Nathan Leaman