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BILL ANALYSIS

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House Bill 5637 (Substitute H-1 as passed by the House)
Sponsor: Representative Jacob Hoogendyk
House Committee: Health Policy
Senate Committee: Health Policy

Date Completed: 9-21-04

CONTENT

The bill would amend the Public Health Code to do the following:

- Create the "Ultrasound Equipment Fund".**
- Require the Department of Community Health (DCH) to establish and administer a program to provide grants for the purchase of ultrasound equipment to qualified entities that provided free or reduced cost family planning or reproductive health services to low-income women.**
- Require a 50% cost match or a repayment guarantee for a grant.**

The bill would create the Ultrasound Equipment Fund within the State Treasury. The State Treasurer could receive money or other assets from any source for deposit into the Fund. The Treasurer would have to direct the investment of the Fund, and credit to it interest and earnings from investments. Money in the Fund at the close of the fiscal year would remain in the Fund and would not lapse to the General Fund.

The DCH would have to use the Fund money to make grants to qualified entities that applied for a grant and had fewer than two ultrasound machines. Under the bill, "qualified entity" would mean a local agency, organization, or corporation; or a subdivision, contractee, subcontractee, or grant recipient of a local agency, organization, or corporation, that had been reviewed and determined by the DCH to satisfy all of the conditions described below and to be technically and logistically capable of providing the quality and quantity of services required within a cost range the DCH considered appropriate.

In order for the DCH to make a grant, the entity would have to provide family planning or reproductive health services to low-income women at no cost or at a reduced cost. The entity also would have to agree to do all of the following:

- Have at least one ultrasound monitor that was fully accessible to the pregnant woman to view during the performance of her ultrasound.
- Inform each pregnant woman upon whom the equipment was used that she had the right to view the image.
- If the ultrasound equipment were capable, inform the pregnant woman that she had the right to record the image for her own records if she provided the entity with the videocassette, film, or other medium on which images could be recorded or otherwise stored.

- Certify in writing that the woman was offered an opportunity to view the image, obtain her written acceptance or rejection to view the image, and maintain a copy of each in the woman's medical file.
- Have a trained medical professional or a qualified medical director on staff to perform the ultrasound.

The entity also would have to agree not to use the equipment to assist in the performance of an elective abortion. (The bill would define "elective abortion" as the performance of a procedure involving 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 the use or prescription of a drug or device intended as a contraceptive; or 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 the woman's pregnancy to avert her death.)

An application for a grant would have to be made on a form or in a format prescribed by the DCH. The DCH could require the applicant to provide information reasonably necessary to allow the Department to make a determination. The DCH would have to give priority to applicants that did not have an ultrasound machine or that had only one machine that was outdated based on industry standards. The DCH Director would have final approval of grants. The grants could be approved only if the money were available in the Fund. A cash match of at least 50% of the grant or other repayment guarantee with a dedicated funding source would be required before a grant could be awarded.

The DCH would have to prepare an annual report summarizing the grants made, contractual commitments made and achieved, and a preliminary evaluation of the grant program's effectiveness. The DCH would have to provide a copy of the report to the chairpersons of the House and Senate Appropriations Subcommittees for the DCH.

The DCH could promulgate rules to implement the grant program.

Proposed MCL 333.9141

Legislative Analyst: Julie Koval

FISCAL IMPACT

The fund would include revenue from various sources, including Federal money, private donations, State restricted funds, and State General Fund/General Purpose revenue. The fiscal impact on the State would depend on how much State Restricted or State General Fund/General Purpose revenue was appropriated to the Fund. Such a decision would be made in developing the Department of Community Health budget each year, so the fiscal impact is indeterminate.

There would be minor costs related to the promulgation of rules and the annual report.

Fiscal Analyst: Steve Angelotti

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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.