

Legislative Analysis



MENTAL HEALTH & SUBSTANCE ABUSE SERVICES

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House Bill 4390
Sponsor: Rep. Mark Meadows

House Bill 4392
Sponsor: Rep. Fran Amos

House Bill 4391
Sponsor: Rep. Ted Hammon

House Bill 4393
Sponsor: Rep. Bert Johnson

Committee: Insurance
Complete to 6-12-07

A SUMMARY OF HOUSE BILLS 4390-4393 AS INTRODUCED 3-1-07

The bills would, generally, prohibit health insurers from imposing cost-sharing requirements and benefit or service limitations for *mental health and substance abuse services* that are more restrictive or financially burdensome than for medical services. This would apply to group and individual contracts issued or renewed on or after January 1, 2008.

House Bill 4390 would amend the Insurance Code (MCL 500.3406t) to apply to *inpatient* hospital, medical, or surgical policies of commercial health insurance companies and health maintenance organizations (HMOs).

House Bill 4391 would amend the Insurance Code (MCL 500.3406s) to apply to *outpatient* hospital, medical, or surgical policies of commercial health insurance companies and health maintenance organizations (HMOs).

House Bill 4392 would amend the Nonprofit Health Care Corporation Reform Act (MCL 550.1416f) to apply to *inpatient* hospital medical services of Blue Cross and Blue Shield of Michigan.

House Bill 4393 would amend the Nonprofit Health Care Corporation Reform Act (MCL 550.1416e) to apply to *outpatient* hospital medical services of Blue Cross and Blue Shield of Michigan.

The bills are all tie-barred to one another, meaning none could take effect unless all were enacted.

FISCAL IMPACT:

These bills potentially will significantly increase the cost of health insurance provided to employees of the State of Michigan and its local units of government. A precise estimate would require analysis of projected mental health visits under current State of Michigan collective bargaining agreements and health plans for non-represented employees, as

well as current employee costs for both inpatient and outpatient physical health care. Similar detailed data would be required for local government employees, including those currently receiving only physical health coverage. At this writing, such estimates are not available.

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