

# Legislative Analysis



## INSURANCE COVERAGE FOR CONTRACEPTION

Phone: (517) 373-8080  
<http://www.house.mi.gov/hfa>

**Senate Bill 973 (S-3) as passed by the Senate**  
**Sponsor: Sen. Mary Cavanagh**  
**House Committee: [Placed on second reading]**  
**Senate Committee: Health Policy**  
**Complete to 12-17-24**

Analysis available at  
<http://www.legislature.mi.gov>

### SUMMARY:

Senate Bill 973 would amend the Insurance Code to require an insurer that delivers, issues for delivery, or renews a health insurance policy in Michigan that provides coverage for contraceptives to provide coverage at an in-network pharmacy for over-the-counter *contraception* and *emergency contraception* without a prescription. The required coverage would be subject to any utilization management, prior authorization, quantity limit, or precertification requirements of the insurer or health insurance policy. These provisions would apply beginning January 1, 2026.

*Contraception* would mean a drug, device, or other product covered on the insurer's formulary that is approved by the U.S. Food and Drug Administration (FDA) to prevent pregnancy. It would include a hormonal drug, whether administered orally, transdermally, or intravaginally.

*Emergency contraception* would mean a drug approved by the FDA to prevent pregnancy after unprotected sexual intercourse or a known or suspected contraceptive failure.

Proposed MCL 500.3406jj

### FISCAL IMPACT:

Senate Bill 973 would not have a direct fiscal impact on any units of state or local government. However, section 150 of the Insurance Code provides for recourse and penalties in the event of a violation of the code. Under the provisions of that section, violators have the opportunity for an administrative hearing before the DIFS director, who may levy a civil fine of \$1,000 for each violation, or \$5,000 if the individual knew or reasonably should have known that they were violating the Insurance Code. Civil fine payments under the Insurance Code are capped at \$50,000, and any revenue collected must be deposited to the state's general fund. To the extent that violations of the new provisions within the bill occur, additional general fund revenue may be realized and enforcement costs incurred.

Legislative Analyst: Rick Yuille  
Fiscal Analyst: Una Jakupovic

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