



Senate Bill 27 (as introduced 1-18-23)
Sponsor: Senator Sarah Anthony
Committee: Health Policy

Date Completed: 6-12-23

CONTENT

The bill would amend Chapter 34 (Disability Insurance Policies) of the Insurance Code to require an insurer that delivered, issued for delivery, or renewed a health insurance policy in the State to provide coverage for mental health and substance use disorder services, including behavioral health treatment, at a level of benefits that was no less favorable than the level provided for physical illness.

The benefits would have to meet the requirements of 42 USC 300gg-26, the Federal Law that governs parity between mental health disorder or substance abuse disorder (MH/SUD) benefits and physical medical benefits, and the regulations promulgated under that law.

Proposed MCL 500.3406z

PREVIOUS LEGISLATION

(Please note: This section does not provide a comprehensive account of all previous legislative efforts on the relevant subject matter.)

The bill is a reintroduction of House Bill 5709 from the 2021-2022 Legislative Session.

Legislative Analyst: Alex Krabill

FISCAL IMPACT

The bill would have no fiscal impact on State government. Federal law generally prevents group health plans and health insurance issuers that provide MH/SUD benefits from imposing less favorable benefit limitations on those benefits than on physical medical benefits.¹ These requirements apply to the Medicaid and Children's Health Insurance Program meaning there is no fiscal impact to the State. For local units of government, to the extent that a local unit of government provides health insurance benefits that are not covered under Federal statute and rulemaking, there could be a fiscal cost depending on the cost to comply with the benefit parity specified in the bill.

Fiscal Analyst: John P. Maxwell

¹ Centers for Medicare and Medicaid Services, *The Mental Health Parity and Addiction Equity Act (MHPAEA)*.

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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.