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Senate Bills 987 and 988 (as introduced 8-15-24)
Sponsor: Senator Mallory McMorrow
Committee: Health Policy

Date Completed: 9-24-24

CONTENT

Senate Bill 987 would amend Chapter 34 (Disability Insurance Policies) of the Insurance Code to require insurers to provide coverage for immediate post-partum intrauterine devices (IUDs) and contraceptive implants and associated anesthesia services.

Senate Bill 988 would amend the Social Welfare Act to require Medicaid to provide coverage for immediate post-partum IUDs and contraceptive implants and associated anesthesia services.

Senate Bill 987

Under the bill, an insurer that delivered, issued for delivery, or renewed in Michigan a health insurance policy would have to provide coverage for immediate post-partum IUDs and contraceptive implants and associated anesthesia services. The coverage would be in addition to a bundled reimbursement for labor and delivery, and an insurer could not consider the devices, implants, services, or combination of devices, implants, or services to be part of a payment for general obstetric procedures.

Senate Bill 988

The Social Welfare Act protects the welfare of Michigan residents. Generally, the Act provides assistance, hospitalization, infirmary, and medical care to poor or unfortunate residents of Michigan and provides for the welfare of the elderly, dependents, the blind, and permanently and totally disabled individuals.

Beginning on the bill's effective date, the Department of Health and Human Services (DHHS) would have to provide coverage under Medicaid for immediate postpartum IUDs and contraceptive implants and associated anesthesia services. The coverage would be in addition to a bundled reimbursement for labor and delivery, and the DHHS could not consider the devices, implants, services, or combination of devices, implants, or services to be part of a payment for general obstetric procedures.

Proposed MCL 500.3406kk (S.B. 987)
Proposed MCL 400.109p (S.B. 988)

BACKGROUND

According to the American College of Obstetricians and Gynecologists (ACOG), IUDs and contraceptive implants are commonly referred to together as long-acting reversible

contraception (LARC).¹ The advantage of LARC when compared to other reversible contraceptive methods is that neither method requires ongoing effort on the part of the patient to be effective for long periods of time. Intrauterine devices are small, T-shaped plastic devices that are inserted into the uterus to prevent pregnancy. In the United States, IUDs are divided into two groups: those that contain copper and those that release a type of synthetic compound meant to mimic a hormone produced during pregnancy. Copper IUDs are 99.2% effective while hormonal IUDs are 99.8% effective; however, copper IUDs maintain peak effectiveness longer.² Contraceptive implants are small, plastic rods inserted underneath the skin of the arm that release hormones to prevent pregnancy. Contraceptive implants are 99.95% effective but require more frequent replacement than IUDs to maintain peak effectiveness.³ The American College of Obstetricians and Gynecologists suggests that benefits to getting LARC in the immediate postpartum period generally include: 1) the patient is known not to be pregnant, constituting a potential opportunity to get LARC;⁴ 2) the patient may be motivated to avoid short-interval pregnancy (live births within 18 months of one another);⁵ and 3) the patient and clinician are in the same place at the same time, eliminating access barriers such as patients who do not show up for their follow-up visit.

Legislative Analyst: Alex Krabill

FISCAL IMPACT

Senate Bill 987

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

Senate Bill 988

There could be a fiscal impact though likely minimal on the Medicaid program within the DHHS. There would be no fiscal impact on local units of government.

According to the most recent version available of the Medicaid Provider Manual (July 1, 2024) the Medicaid Hospital Reimbursement Appendix Special Circumstances Schedule covers: "LARC: An additional payment for the LARC device will be made to a hospital when a LARC is provided immediately postpartum. Practitioners will receive payment for their professional services related to the immediate postpartum LARC insertion procedure when billed separately from the professional global obstetric procedure codes and the hospital facility. Costs associated with a LARC device are to be billed separately from the inpatient visit using the Medicaid fee schedule (insertion and device)."

To the extent that the current Medicaid policy on LARCs is consistent with the specifications around devices and implants as described in the bill, there would be no fiscal impact on the State.

Fiscal Analysts: Nathan Leaman
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¹ ACOG, *Long-Acting Reversible Contraception Implants and Intrauterine Devices*, November 2017.

² *Id.*

³ *Id.*

⁴ ACOG, *Committee Opinion No. 670: Immediate Postpartum Long-Acting Reversible Contraception*, August 2016.

⁵ *Id.*

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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.