

House Judiciary Committee
House Bills 5860-5861
May 3, 2022
Testimony by Blue Cross Blue Shield of Michigan

Chair Filler and members of the House Judiciary Committee –

I am Gabe Basso with Blue Cross Blue Shield of Michigan. Thank you for the opportunity to come before you to share our concerns with House Bills 5860-5861, which would require both parents to cover 50% of prenatal and pregnancy related expenses for their child.

While we understand the hardships a parent may face if having to cover these medical expenses, it is unclear if the bills place requirements on insurers to be payment recordkeepers and this would be difficult and costly for us to track, bill, and maintain.

If the bills directly or indirectly require insurers to be the billing and compliance clearinghouse, the bills would require us to make significant investments in our systems to be able to track this type of information, send invoices to someone other than the policy holder, withhold a portion or separate an individual's bill, track who has paid and at what percent, and handle delinquent payments.

Additionally, the provisions in the legislation could raise issues with our privacy standards and the use of private health information as certain information would be known to both parents and be stored on our systems.

Overall, this legislation could make our billing processes more complex and would mandate increased costs on insurers to implement.

We are hopeful that we can continue to work with the bill sponsors and committee to find alternative solutions for our concerns as we believe this process would be better tracked by our court systems or a third-party entity.

With that, we are happy to answer questions.