Legislative Analysis

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

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

REQUIRE COVERAGE OF GROUP PRENATAL SERVICES

House Bills 4703 and 4704 as introduced
Sponsor: Rep. Jennifer Wortz
Committee: Insurance
Complete to 10-21-25

SUMMARY:

House Bill 4703 would amend the Insurance Code to require that any health insurance policy delivered, issued, or renewed in Michigan on or after January 1, 2026, include coverage for group prenatal care services.[1]

Group prenatal care is a model of prenatal care that brings pregnant individuals together for a series of prenatal visits in a group setting. The care is based on an evidence-based model and combines traditional medical checkups with additional support and education. Services may include health assessments by a qualified provider, social and clinical support, educational activities in a family-centered environment, and opportunities for peer-to-peer interaction among pregnant individuals.

Current law requires coverage for standard prenatal and maternity services but does not require insurers to cover prenatal care provided in a group setting.

Proposed MCL 500.3406ss

House Bill 4704 would amend the Social Welfare Act to require Michigan's Medicaid program to also cover group prenatal care services using the same model of care described above.

Proposed MCL 400.109t

FISCAL IMPACT:

House Bill 4703 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 director of the Department of Insurance and Financial Services (DIFS), 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.

[1] For purposes of the bill, *group prenatal care services* would mean a series of prenatal care visits provided in a group setting that are based on an evidence-based model that may include services described above.

House Bill 4704 would likely incur no administrative costs for the Department of Health and Human Services (DHHS), but would incur indeterminate, but nonsubstantive costs for the Traditional Medicaid program. Group-based prenatal services are allowable for reimbursement under the state Medicaid program, but currently DHHS provides for these services via a hospital-based direct contract. Section 1830 of the annual appropriations act allocates $5.0 million gross for this purpose. Additional costs to the Medicaid program resulting from codifying these services would stem from any expansion of providers offering group-based prenatal care, increases to caseloads, and utilization. Costs would be eligible for federal match, which varies from year to year based on the annual Federal Medical Assistance Percentage (FMAP). For fiscal year 2025-26, Michigan's FMAP is 65.30%.

Legislative Analyst: Leah R. Doemer
Fiscal Analysts: Una Jakupovic
Kent Dell