

HOUSE BILL No. 4525

April 15, 1987, Introduced by Reps. Harrison, Muxlow, Joe Young, Sr., Bartnik, Hickner, Middaugh, Hayes, Palamara, DeMars, Fitzgerald, Kosteva, Saunders, Bankes, Power, Sofio, Miller, Allen, Hoffman, Browne, Johnson, Dobronski, Gilmer, Pridnia, Webb, Bankes, Emmons, Bender, Walberg, Van Singel, Hoekman, Trim and Dunaskiss and referred to the Committee on Public Health.

A bill to amend Act No. 368 of the Public Acts of 1978,
entitled as amended
"Public health code,"
as amended, being sections 333.1101 to 333.25211 of the Michigan
Compiled Laws, by adding section 22159.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 368 of the Public Acts of 1978, as
2 amended, being sections 333.1101 to 333.25211 of the Michigan
3 Compiled Laws, is amended by adding section 22159 to read as
4 follows:

5 SEC. 22159. (1) THE DEPARTMENT SHALL GRANT A CERTIFICATE OF
6 NEED TO A HOSPITAL FOR A PROGRAM INVOLVING THE DISCRETIONARY OR
7 ALTERNATIVE USE OF ACUTE CARE HOSPITAL BEDS OR SPACE FOR
8 TRANSITIONAL CARE SERVICES IF THE DEPARTMENT DETERMINES THAT THE
9 APPLICANT HOSPITAL AND PROPOSED PROGRAM OTHERWISE MEET THE

1 REQUIREMENTS FOR EXTENDED CARE SERVICE REIMBURSEMENT UNDER
2 SECTION 1883 OF THE SOCIAL SECURITY ACT, 42 U.S.C. 1395tt, AND
3 42 C.F.R. 482.66.

4 (2) THE DEPARTMENT MAY GRANT A CERTIFICATE OF NEED TO A HOS-
5 PITAL FOR A PROGRAM INVOLVING THE ALTERNATIVE USE OF LICENSED
6 BEDS OR SPACE, OR BOTH, IF THE PROGRAM MEETS AN IDENTIFIED NEED
7 AND INVOLVES 1 OR MORE OF THE FOLLOWING:

8 (A) THE REDUCTION OF OR ELIMINATION OF EXCESSIVE, DUPLICA-
9 TIVE, OR OUTMODED EQUIPMENT OR FACILITIES BY UTILIZING THEM FOR
10 ALTERNATIVE USES.

11 (B) THE PROMOTION OF HEALTH CARE COST CONTAINMENT.

12 (C) THE PROMOTION OF ACCESSIBILITY TO HEALTH CARE SERVICES
13 REGARDLESS OF SOURCE OF PAYMENT.

14 (D) THE PROMOTION OF LESS RESTRICTIVE ALTERNATIVES TO INPA-
15 TIENT ACUTE CARE THROUGH DIVERSIFICATION OF EXISTING SERVICES AND
16 RESOURCES.

17 (3) AS A CONDITION TO ISSUANCE OF A CERTIFICATE OF NEED
18 UNDER THIS SECTION, THE DEPARTMENT MAY REQUIRE THE APPLICANT TO
19 STIPULATE 1 OR MORE OF THE FOLLOWING:

20 (A) THAT THE PROGRAM AND RELATED BEDS WILL BE OPERATED IN A
21 DISTINCT PART OF THE HOSPITAL.

22 (B) THAT THE PROGRAM BE SUBJECT TO AND OPERATED IN ACCORD-
23 ANCE WITH A LICENSE ISSUED PURSUANT TO SUBSECTION (4).

24 (C) THAT PERSONS 60 YEARS OF AGE OR OLDER WHO ARE NOT IN
25 NEED OF ACUTE CARE SHALL NOT EXCEED 100 DAYS OF SERVICE PER EPI-
26 SODE OF ILLNESS WITHOUT PRIOR AUTHORIZATION OF THE DEPARTMENT.

1 (4) A PERSON SHALL NOT OPERATE A PROGRAM FOR WHICH A
2 CERTIFICATE OF NEED HAS BEEN GRANTED UNDER THIS SECTION WITHOUT A
3 LICENSE ISSUED BY THE DEPARTMENT. THE LICENSE MAY BE ISSUED PUR-
4 SUANT TO SECTION 21042, OTHER APPLICABLE LICENSURE PROVISIONS, OR
5 DIRECTLY UNDER THE AUTHORITY OF THIS SECTION, WITHOUT MODIFYING
6 THE EXISTING FACILITY LICENSE. THE TERM OF THE LICENSE SHALL NOT
7 EXCEED 3 YEARS, AND THE LICENSE SHALL SET FORTH OR INCORPORATE BY
8 REFERENCE THOSE STANDARDS AND PATIENT RIGHTS WHICH THE DEPARTMENT
9 DETERMINES NECESSARY TO ASSURE SAFE AND HEALTHFUL PERFORMANCE OF
10 THE HEALTH CARE UNDERTAKEN BY THE PROGRAM. THE STANDARDS SHALL
11 NOT EXCEED THE SUBJECT MATTER SET FORTH IN SECTION 20171(3) OR
12 THE STANDARDS AND PATIENT RIGHTS OTHERWISE REQUIRED OF LICENSEES
13 UNDER THIS ARTICLE. THE DEPARTMENT SHALL HAVE THE SAME AUTHORITY
14 TO MONITOR AND ENFORCE COMPLIANCE WITH A LICENSE ISSUED UNDER
15 THIS SECTION AS IT HAS WITH RESPECT TO OTHER LICENSES ISSUED
16 UNDER THIS ARTICLE.

17 (5) AS USED IN THIS SECTION, "TRANSITIONAL CARE SERVICES"
18 MEANS SUB-ACUTE SERVICES PROVIDED TO PATIENTS ON A SHORT-TERM
19 BASIS.