

HOUSE BILL No. 5250

October 10, 1991, Introduced by Reps. Barns, DeMars, Berman and Rocca and referred to the Committee on Public Health.

A bill to amend sections 20155 and 20171 of Act No. 368 of the Public Acts of 1978, entitled as amended

"Public health code,"

section 20155 as amended by Act No. 474 of the Public Acts of 1982 and section 20171 as amended by Act No. 252 of the Public Acts of 1990, being sections 333.20155 and 333.20171 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 20155 and 20171 of Act No. 368 of the
2 Public Acts of 1978, section 20155 as amended by Act No. 474 of
3 the Public Acts of 1982 and section 20171 as amended by Act
4 No. 252 of the Public Acts of 1990, being sections 333.20155 and
5 333.20171 of the Michigan Compiled Laws, are amended to read as
6 follows:

1 Sec. 20155. (1) Except as provided ~~for clinical~~
2 ~~laboratories~~ in THIS section, ~~20511,~~ the department shall make
3 annual and other visits to EACH health ~~facilities and agencies~~
4 ~~covered by~~ FACILITY OR AGENCY LICENSED UNDER this article ~~,~~
5 ~~other than a licensee under part 215,~~ for the purposes of
6 survey, evaluation, and consultation. Except for ~~facilities~~ A
7 HEALTH FACILITY OR AGENCY described in section 20106(1)(f) ~~and~~
8 OR (h), the department shall determine whether the visits shall
9 be announced or unannounced, except that a complaint investiga-
10 tion shall not be announced and ~~there shall be~~ EXCEPT THAT THE
11 DEPARTMENT SHALL MAKE at least 1 unannounced visit other than a
12 complaint investigation annually to ~~the facilities~~ A HEALTH
13 FACILITY OR AGENCY described in section 20106(1)(c) ~~and~~ OR
14 (d).

15 (2) THE DEPARTMENT SHALL MAKE AT LEAST A BIENNIAL VISIT TO
16 EACH LICENSED CLINICAL LABORATORY FOR THE PURPOSE OF SURVEY,
17 EVALUATION, AND CONSULTATION.

18 (3) The department shall make ~~biennial visits to hospitals~~
19 A TRIENNIAL VISIT TO EACH HOSPITAL for survey ~~,~~ and for evalu-
20 ation for the purpose of licensure. ~~However, this requirement~~
21 ~~shall not be construed to~~ IF APPLICABLE, THE DEPARTMENT SHALL
22 MAKE A VISIT REQUIRED UNDER THIS SUBSECTION SIMULTANEOUSLY WITH
23 AN ACCREDITATION INSPECTION CONDUCTED BY THE JOINT COMMISSION ON
24 THE ACCREDITATION OF HEALTH CARE ORGANIZATIONS OR THE AMERICAN
25 OSTEOPATHIC ASSOCIATION. THIS SUBSECTION DOES NOT prohibit the
26 department from conducting investigations or inspections pursuant
27 to section 20156 ~~,~~ or from conducting surveys of hospitals for

1 the purpose of complaint investigation or federal certification.
2 ~~, nor to preclude~~ THIS SUBSECTION DOES NOT PROHIBIT the state
3 fire marshal from conducting annual surveys of hospitals.

4 (4) ~~(2) Investigations or inspections~~ THE DEPARTMENT SHALL
5 CONDUCT AN INVESTIGATION OR INSPECTION, other than ~~inspections~~
6 AN INSPECTION of financial records, of ~~facilities~~ A HEALTH
7 FACILITY OR AGENCY described in section 20106(1)(f) ~~and~~ OR (h)
8 ~~shall be conducted~~ without prior notice to the HEALTH facility
9 OR AGENCY. An employee of a state agency charged with inspecting
10 the facility or an employee of a local health department who
11 directly or indirectly gives prior notice regarding an inspec-
12 tion, other than an inspection of the financial records, to the
13 HEALTH facility OR AGENCY or to an employee ~~thereof~~ OF THE
14 HEALTH FACILITY OR AGENCY, is guilty of a misdemeanor.

15 ~~Consultation visits,~~ THE DEPARTMENT MAY ANNOUNCE A CONSULTATION
16 VISIT THAT IS not for the purpose of annual or follow-up inspec-
17 tion or survey. ~~, may be announced.~~

18 (5) ~~(3)~~ The department shall maintain a record indicating
19 whether visits are announced or unannounced. ~~Information~~ THE
20 DEPARTMENT SHALL TAKE INTO ACCOUNT IN LICENSURE DECISIONS
21 INFORMATION gathered at all visits, WHETHER announced or
22 unannounced. ~~, shall be taken into account in licensure~~
23 ~~decisions.~~

24 (6) ~~(4)~~ The department shall require periodic reports and
25 shall have access to books, records, and other documents main-
26 tained by a health facility or agency to the extent necessary to
27 carry out the purpose of this article and the rules promulgated

1 under this article. The department shall respect the
2 confidentiality of a patient's clinical record and shall not
3 divulge or disclose the contents of the records in a manner
4 ~~which~~ THAT identifies an individual except under court order.
5 The department ~~has the right to~~ MAY copy health facility or
6 agency records as required to document findings.

7 (7) ~~(5)~~ The department may delegate survey, evaluation, or
8 consultation functions to another state agency or to a local
9 health department qualified to perform ~~them~~ THOSE FUNCTIONS.
10 The delegation shall be by cost reimbursement contract between
11 the department and the state agency or local health department.
12 ~~Survey~~ THE DEPARTMENT SHALL NOT DELEGATE SURVEY, evaluation, or
13 consultation functions ~~shall not be delegated~~ to nongovernmen-
14 tal agencies, except as provided in this section. The department
15 may accept A voluntary ~~inspections of~~ INSPECTION OF A CLINICAL
16 LABORATORY UNDER PART 205 PERFORMED BY an accrediting body with
17 expertise in clinical laboratory accreditation ~~to perform~~
18 ~~inspections and surveys under part 205 provided that~~ IF the
19 accrediting body utilizes forms acceptable to the department,
20 applies the same licensing standards as applied to other clinical
21 laboratories and provides the same information and data usually
22 filed by the department's own employees when engaged in similar
23 inspections or surveys. This voluntary inspection shall be
24 agreed upon by both the licensee and the department.

25 (8) ~~(6)~~ If, upon investigation, the department or a state
26 agency OR A LOCAL HEALTH DEPARTMENT determines that a person
27 licensed to practice a profession in this state has violated

1 ~~the~~ AN applicable licensure statute or the rules promulgated
2 under that statute, the department, state agency, or local health
3 department shall forward the evidence it has to the appropriate
4 licensing agency.

5 Sec. 20171. (1) The department, after obtaining approval
6 of the advisory commission, shall promulgate and enforce rules to
7 implement this article, including rules necessary to enable a
8 health facility or agency to qualify for and receive federal
9 funds available for patient care or for projects involving new
10 construction, additions, modernizations, or conversions.

11 (2) The rules applicable to health facilities or agencies
12 shall be uniform insofar as is reasonable.

13 (3) The rules shall establish standards relating to ALL OF
14 THE FOLLOWING:

15 (a) Ownership.

16 (b) Reasonable disclosure of ownership interests in propri-
17 etary corporations and of financial interests of trustees of vol-
18 untary, nonprofit corporations and owners of proprietary corpora-
19 tions and partnerships.

20 (c) Organization and function of the health facility or
21 agency, owner, operator, and governing body.

22 (d) Administration.

23 (e) Professional and nonprofessional staff, services, and
24 equipment appropriate to implement section 20141(3).

25 (f) Policies and procedures.

26 (g) Fiscal and medical audit.

1 (h) Utilization and quality control review.

2 (i) Physical plant including planning, construction,
3 functional design, sanitation, maintenance, housekeeping, and
4 fire safety.

5 (j) Arrangements for the continuing evaluation of the qual-
6 ity of health care provided.

7 (k) Other pertinent organizational, operational, and proce-
8 dural requirements for each type of health facility or agency.

9 (4) The rules promulgated under section 21563 for the desig-
10 nation of rural community hospitals may also specify all of the
11 following:

12 (a) Maximum bed size.

13 (b) The level of services to be provided in each category as
14 described in section 21562(2).

15 (c) Requirements for transfer agreements with other hospi-
16 tals to assure efficient and appropriate patient care.

17 (5) WITHIN 90 DAYS AFTER THE EFFECTIVE DATE OF THE AMENDA-
18 TORY ACT THAT ADDED THIS SUBSECTION, THE DEPARTMENT SHALL INITI-
19 ATE THE PROMULGATION OF RULES THAT UPDATE BY AMENDMENT OR RESCIS-
20 SION, AS NECESSARY, ALL RULES PROMULGATED UNDER THIS SECTION GOV-
21 ERNING HOSPITALS.