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## NURSING HOME RIGHT-TO-KNOW ACT

**House Bill 4624 and 4625**

**Sponsor: Rep. John Freeman**

**Committee: Consumer Protection**

**Complete to 5-6-97**

### **A SUMMARY OF HOUSE BILL 4624 AND 4625 AS INTRODUCED 4-15-97**

House Bills 4624 and 4625 would amend the Public Health Code (MCL 333.21714 and 333.21714a) to create the Nursing Home Right-to-Know Act. The act would require all licensed nursing homes within the state to file an annual disclosure form with the Department of Community Health providing certain information about the nursing home and would require the Department of Community Health to summarize the information from these disclosure forms in a right-to-know report. House Bill 4624 would set forth the requirements for the filing and posting of the information contained in the disclosure forms and compiling the right-to-know reports, while House Bill 4625 would create a standard disclosure form. The bills are tie-barred together and would take effect 60 days after enactment.

Disclosure forms. House Bill 4624 would require each licensed nursing home to file a disclosure form at the same time it filed its Medicaid cost reports to the state, but no later than 90 days after the close of the fiscal year. The nursing homes would be required to compute and report all of the following information from the preceding fiscal year on the standard disclosure form created by House Bill 4625:

- \* The average number of hours worked per patient day.
- \* The required nursing hours based on actual nursing care days of service and the county average.
- \* The nursing staff turnover rate.
- \* The worker injury rate.
- \* The nursing home's current licensure status and information on whether the home had ever been subject to a provisional license, a ban on admission, license suspension or revocation, or had a receiver appointed to operate the nursing home and the dates of each of these occurrences.
- \* Whether the nursing home is a government-sponsored, private nonprofit, or private for-profit entity.
- \* Information on the nursing home's corporate ownership and affiliation.

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\* The name, address, and telephone number of the local or regional long-term care ombudsman at the area agency on aging.

Each nursing home would also be required to send completed copies of its disclosure form to the local or regional long-term care ombudsman and to post a copy of the form in the nursing home for public viewing. The copies of the disclosure form would have to be posted and sent no later than ninety days after the close of the fiscal year. In addition, each nursing home would be required to maintain copies of its disclosure forms and supporting documents for at least three years and to make these files available for inspection and copying by any person during normal business hours. In addition, the department would be required to keep all of the filed disclosure forms on file subject to the provisions of the Freedom of Information Act (MCL 15.231 to 15.246).

The department's compliance inspectors would be required to verify the availability and completeness of each nursing home's disclosure forms during annual certification inspections, surveys, and evaluations. The department would also be required to investigate citizen complaints about the availability or accuracy of a nursing home's disclosure materials or any other issues regarding compliance with the bill's provisions, including monitoring whether the nursing homes' filing of their disclosure forms met the bill's requirements.

If a nursing home failed to file a disclosure form, or failed to make a disclosure form or right-to-know report available as required, or willfully falsified or withheld information that the bill would require them to disclose, the department would be required to notify the local media and the state long-term care ombudsman of the failure and impose a fine of \$5,000 for each incident.

Right-to-know report. The Department of Community Health would be required to summarize the disclosure forms it received for each department field office area in an easy to understand right-to-know report. The report would have to include staffing levels, turnover rates, injury rates, and profits for each nursing home, arranged by both the names of the nursing homes and by their numerical rank. The right-to-know reports would have to be completed by the department at the same time each year using the most recent information received from the nursing homes' disclosure reports and would have to indicate if a nursing home had been late in filing its disclosure report.

The department which would be required to mail three copies of the applicable right-to-know report to each nursing home. The nursing homes would be required to post and provide access to the right-to-know report in the same fashion as they would be required to do for their disclosure reports, including notification of prospective residents and their families (Note: There is no specific requirement that the disclosure report be provided to prospective residents and their families.) In addition, at least three copies of each right-to-know report would have to be provided to the state long-term care ombudsman, the Office of Services to the Aging, and to the Michigan Commission on Aging, and the department would have to provide more copies if requested.

Statement of Legislative Intent. House Bill 4624 also contains a section stating the intent of the legislature in enacting House Bills 4624 and 4625. Specifically, the bill says that it would

be the intent of legislature, by enacting the nursing home consumers right-to-know act, to assure the highest quality of care possible to the residents of nursing homes in Michigan. The bill also specifies that the legislature recognizes the importance of sufficient staffing in a nursing home's ability to provide quality care, the difficulty experienced by potential customers of nursing homes in assessing their comparable services, and the importance of a detailed and accurate disclosure of information to potential consumers of nursing home services when those consumers are making decisions on where to place individuals who need nursing home care. The bill states that the legislature intends to make detailed and accurate information on the services provided by each nursing home readily available to potential consumers of nursing home services. Finally, the bill says that the legislature recognizes that by requiring nursing homes to make this disclosure resulting in the increased availability of this information, the market forces of consumer choice will play a more direct role in determining how nursing home assets get allocated, without additional expenditures by the state.

Standard Disclosure Form. House Bill 4625 would create a standard nursing home disclosure form. Nursing homes would be required to use a substantially similar form in filing their information as required by the bill. The form would include the information required under House Bill 4624, including the name of the nursing home, provider identification number, address, phone number, the reporting period, form of sponsorship, name and address of multi facility system (any entity that is formally affiliated with the reporting nursing home or owns the reporting nursing home and operates other nursing facilities in any state) if applicable, the administrator's signature and his or her title, the nursing home's current license status and past license status, nursing staff turnover, annual OSHA and workers' disability compensation injury rates per 100 full-time workers, and net income for the period and per patient day.

The form would explain the required nursing staffing figures, pointing out that it showed the average nursing staffing levels for the reporting period and that nursing hours per patient day compared to minimum staffing requirements and county averages. The form would say that in addition to the minimum hour standard, the state also requires that certain staffing ratios of nursing personnel to patients be met each day, e.g. 1:8 during the day shift, 1:12 during the afternoon shift, and 1:15 during the night shift.

Finally, the form would include a section to compute the percentage of staff turnover, nursing staff to patient ratios, the OSHA and workers compensation injury rates, and the net income per patient day.

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