

Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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House Bill 5063 (Substitute S-1 as reported)  
Sponsor: Representative Larry Julian  
House Committee: Family and Civil Law  
Senate Committee: Health Policy

## **CONTENT**

The bill would amend the governmental immunity law to revise the exception to immunity that applies to hospitals and hospital employees, by providing for immunity only in regard to a hospital owned or operated by the Department of Community Health (DCH) or the Department of Corrections (DOC).

Under the law, except as otherwise provided, a governmental agency is immune from tort liability if the agency is engaged in the exercise or discharge of a governmental function. In addition, except as otherwise provided, each employee of a governmental agency is immune from tort liability for personal injury or property damage caused by the employee while in the course of employment or service, if specific conditions are met.

The law states that it does not grant immunity to a governmental agency with respect to the ownership or operation of a hospital or county medical care facility or to its agents or employees. "Hospital" means a facility offering inpatient, overnight care, and services for observation, diagnosis, and active treatment of an individual with a medical, surgical, obstetric, chronic, or rehabilitative condition requiring the daily direction or supervision of a physician; the term does not include a hospital owned or operated by the DCH or the DOC. (In other words, governmental immunity does apply to a hospital owned or operated by the DCH or the DOC, and this particular exception to immunity does not limit the immunity of a governmental agency that does not own or operate a hospital or county medical care facility.) The bill would delete this provision and the definition of "hospital".

The bill provides, instead, that the law would not grant immunity to a governmental agency or an employee or agent of a governmental agency with respect to the provision of medical care or treatment to a patient, except medical care or treatment provided to a patient in a hospital owned or operated by the DCH or the DOC.

The bill would apply only to a cause of action arising on or after the bill's effective date.

The bill is tie-barred to House Bill 5803, which would amend the Public Health Code to provide for the confidentiality of professional review data and records of an institution of higher education with colleges of osteopathic and human medicine.

MCL 691.1407

Legislative Analyst: S. Lowe

## **FISCAL IMPACT**

The bill would have an indeterminate fiscal impact on future liability costs for Michigan State University.

Date Completed: 9-28-00

Fiscal Analyst: B. Bowerman

[floor/hb5063](#)

Analysis available @ <http://www.michiganlegislature.org>

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