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House Bill 4776 (as reported without amendment)  
Sponsor: Representative Steve Vear  
House Committee: Senior Health, Security and Retirement  
Senate Committee: Health Policy

Date Completed: 10-9-01

### **RATIONALE**

The Occupational Code provides for the licensure and regulation of various professionals, such as accountants, engineers, architects, barbers, and real estate agents. Article 15 of the Public Health Code regulates health professions. Currently, nursing home administrators are licensed and regulated under Section 19 of the Occupational Code, and must pay a licensing fee as required by the State License Fee Act. It has been pointed out that the regulation of most health care-related professions has been, in recent years, moved from the Occupational Code to the Public Health Code. For example, Public Act 126 of 1995 moved the regulation of marriage and family therapists from the Occupational Code to the Public Health Code, and Public Act 11 of 2000 did the same for social workers. According to the Department of Consumer and Industry Services (DCIS), nursing home administrators are the last health care-related professionals to be regulated under the Occupational Code. It has been suggested that the regulation of and licensing fees for nursing home administrators also be moved to the Public Health Code.

### **CONTENT**

**The bill would amend the Public Health Code to place in Article 15 of the Code requirements pertaining to the licensure and regulation of nursing home administrators; these provisions would be substantially similar to those currently contained in Article 19 of the Occupational Code and Section 47 of the State License Fee Act, which the bill would repeal.**

The bill provides that an individual who held a license issued under Article 19 of the Occupational Code on the effective date of the bill would be licensed as a nursing home administrator until the license expired, and could renew the license pursuant to Article 15.

Currently, Article 19 of the Occupational Code creates a nursing home administrators' board but does not prescribe its membership. The bill would create the Michigan Board of Nursing Home Administrators in the Department of Consumer and Industry Services (DCIS). The new board would consist of six nursing home administrators and three public members. The members of the current board would serve as the initial members of the new board until successors were appointed or their terms expired, whichever occurred first.

The bill provides that rules promulgated by the current board, the DCIS, or the DCIS Director under Article 19 of the Occupational Code, and in effect on the bill's effective date, would continue in effect to the extent that they did not conflict with Article 15, and would have to continue to be enforced. The Director could amend or rescind the rules.

The bill specifies that a person could not represent that he or she was a nursing home administrator, use a title including "nursing home administrator" or an abbreviation of the term or similar words that would indicate that he or she was licensed under Article 15, unless licensed as a nursing home administrator.

Currently, under Article 19 of the Occupational Code, a nursing home administrator licensee is subject to penalties, including license

revocation and fines, for directly or indirectly offering to pay, causing to be paid, or inferring that payment be made to a physician, pharmacist, or other person or institution in a health occupation as consideration for referral of a patient to the licensee. This provision is not included in the bill.

MCL 333.16131 et al.

## **ARGUMENTS**

*(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)*

### **Supporting Argument**

Moving the licensing and regulation of nursing home administrators from the Occupational Code to the Public Health Code would provide for more effective regulation of that profession. Currently, doctors, nurses, nurses aides, social workers, counselors, and other health professionals who work in nursing homes are regulated under the Public Health Code; in addition, nursing homes and other health facilities are regulated under that Code. Further, in the DCIS, occupations under the Occupational Code are regulated by the Bureau of Commercial Services, while health professionals are regulated by the Bureau of Health Services. The bill would not increase the current regulations placed on, or fees required of, nursing home administrators.

Legislative Analyst: G. Towne

## **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: M. Tyszkiewicz

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.