

HOUSE BILL No. 6281

September 17, 2002, Introduced by Reps. Cassis, Vander Veen, Van Woerkom, DeRossett, Richardville, Caul, Vear, Pappageorge, Voorhees, Middaugh and Richner and referred to the Committee on Health Policy.

A bill to amend 1978 PA 368, entitled
"Public health code,"
by amending section 22209 (MCL 333.22209), as amended by 1993
PA 88.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 22209. (1) Except as otherwise provided in this part,
2 a person shall not do any of the following without first obtain-
3 ing a certificate of need:

4 (a) Acquire an existing health facility or begin operation
5 of a health facility at a site that is not currently licensed for
6 that type of health facility.

7 (b) Make a change in the bed capacity of a health facility.

8 (c) Initiate, replace, or expand a covered clinical
9 service.

1 (d) Make a covered capital expenditure.

2 (2) A certificate of need is not required for a reduction in
3 licensed bed capacity or services at a licensed site.

4 (3) An applicant seeking a certificate of need for the
5 acquisition of an existing health facility may file a single,
6 consolidated application for the certificate of need if the
7 project results in the acquisition of an existing health facility
8 but does not result in an increase or relocation of licensed beds
9 or the initiation, expansion, or replacement of a covered clini-
10 cal service. Except as otherwise provided in this subsection, a
11 person acquiring an existing health facility is subject to the
12 applicable certificate of need review standards in effect on the
13 date of the transfer for the covered clinical services provided
14 by the acquired health facility. The department may except 1 or
15 more of the covered clinical services listed in section
16 22203(10)(b), except the covered clinical service listed in sec-
17 tion 22203(10)(b)(iv), from the minimum volume requirements in
18 the applicable certificate of need review standards in effect on
19 the date of the transfer, if the equipment used in the covered
20 clinical service is unable to meet the minimum volume require-
21 ments due to the technological incapacity of the equipment. A
22 covered clinical service excepted by the department under this
23 subsection is subject to all the other provisions in the applica-
24 ble certificate of need review standards in effect on the date of
25 the transfer, except minimum volume requirements.

26 (4) The center for rural health created in section 2612
27 shall designate a certificate of need ombudsman to provide

1 technical assistance and consultation to hospitals and
2 communities located in rural counties regarding certificate of
3 need proposals and applications under this part. The ombudsman
4 shall also act as an advocate for health concerns of rural coun-
5 ties in the development of certificate of need review standards
6 under this part.

7 (5) A CERTIFICATE OF NEED IS NOT REQUIRED FOR THE RELOCATION
8 OF LICENSED BEDS FROM 1 EXISTING HEALTH FACILITY TO ANOTHER
9 EXISTING HEALTH FACILITY THAT IS LOCATED WITHIN THE SAME HEALTH
10 SERVICE AREA IF THE RELOCATION DOES NOT RESULT IN AN INCREASE OF
11 LICENSED BEDS OR THE INITIATION, EXPANSION, OR REPLACEMENT OF A
12 COVERED CLINICAL SERVICE PROVIDED WITHIN THAT HEALTH SERVICE
13 AREA.