

# HOUSE BILL No. 5931

March 30, 2006, Introduced by Reps. Polidori, Zelenko, Wojno, Plakas, Donigan, Vagnozzi, Sheltroun, LaJoy, Meisner, Hood, Farrah, Gonzales, Tobocman, Leland, Lemmons, Jr., Jones, Gleason, Gillard, Kathleen Law, Alma Smith, Hopgood, Williams, Bennett, Condino, Miller, Garfield and Lemmons, III and referred to the Committee on Senior Health, Security, and Retirement.

A bill to amend 1978 PA 368, entitled  
"Public health code,"  
by amending section 21799c (MCL 333.21799c), as amended by 1996 PA  
546.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1       Sec. 21799c. (1) A person who violates 1 of the following
- 2       sections is guilty of a misdemeanor, punishable by imprisonment for
- 3       not more than 1 year or a fine of not less than \$1,000.00, nor more
- 4       than \$10,000.00, or both:
- 5       (a) Section 21711.
- 6       (b) Section 21712.
- 7       (c) Section 21763(5).

1 (d) Section 21765a(1) or (2).

2 (e) Section 21771(1) or (6).

3 (f) Section 21791.

4 (2) A person who violates section 21765a(1) or (2) is liable  
5 to an applicant or patient in a civil action for treble the amount  
6 of actual damages or \$1,000.00, whichever is greater, together with  
7 costs and reasonable attorney fees.

8 (3) For the purpose of computing administrative penalties  
9 under this section, the number of patients per day is based on the  
10 average number of patients in the nursing home during the 30 days  
11 immediately preceding the discovery of the violation.

12 (4) If the department finds a violation of section 20201 as to  
13 a particular nursing home patient, the department shall issue an  
14 order requiring the nursing home to pay to the patient ~~-\$100.00~~  
15 **\$1,000.00**, or to reimburse the patient for costs incurred or  
16 injuries sustained as a result of the violation, whichever is  
17 greater. The department also shall assess the nursing home an  
18 administrative penalty that is the lesser of the following:

19 (a) Not more than \$1,500.00.

20 (b) \$15.00 per patient bed.

21 (5) The department of community health shall promulgate rules  
22 for a quality of care allowance formula that is consistent with the  
23 recommendations of the fiscal incentives subcommittee to the  
24 committee on nursing home reimbursement established ~~pursuant to~~  
25 ~~Act No. 241 of the Public Acts of 1975~~ **IN ACCORDANCE WITH 1975 PA**  
26 **241**, as described in the November 24, 1975 interim report, in the  
27 December 3, 1975 final report, and the November 24, 1976 report of

1 the committee recommending appropriate changes in the procedures  
2 utilized.

3 (6) The department shall not assess an administrative penalty  
4 under subsection (4) for a violation of this part for which a  
5 nursing home's reimbursement is withheld under subsection (5).