

Legislative Analysis



PUBLIC HOSPITAL FINANCING

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Senate Bill 1304

Sponsor: Sen. Tony Stamas

House Committee: Health Policy

Senate Committee: Health Policy

Complete to 9-10-08

A SUMMARY OF SENATE BILL 1304 AS PASSED BY THE SENATE 6-3-08

The Hospital Finance Authority Act governs the operation of the State Hospital Finance Authority, which was established "to issue bonds and make loans to hospitals, nursing homes, homes for the aged, hospices and certain retirement housing providers to finance and refinance the acquisition, construction, improvement or alteration of hospital facilities and the payment of project costs." (Quoted from the MSHFA website.)

Senate Bill 1304 would revise the definition of "hospital" in the act (MCL 331.33) to include public entities. This means the act would include both public and nonpublic facilities; however, the bill would exclude from the definition health facilities and agencies located in correctional institutions, veterans facilities, and facilities operated and owned by the Department of Community Health.

Currently under the act, "hospital" means a nonpublic corporation, association, institution, or establishment located within Michigan for the care of the sick or wounded or of those who require medical treatment or nursing care or home for the aged or that provides retirement housing facilities operated without profit to an individual, corporation, or association. The term "hospital" includes a nonprofit corporation or other nonprofit organization engaged in some phase of hospital, nursing care, home for the aged, or retirement housing activity or in owning, controlling, or providing a supporting service to a hospital or public corporation that operates or owns a hospital facility.

FISCAL IMPACT:

There would be no fiscal impact to the State of Michigan or local units of government from this bill.

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