



Senate Fiscal Agency  
P. O. Box 30036  
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-5383  
Fax: (517) 373-1986  
TDD: (517) 373-0543

Senate Bill 1237 (Substitute S-1)  
Sponsor: Senator Patricia L. Birkholz  
Committee: Commerce and Tourism

Date Completed: 8-24-10

### **CONTENT**

**The bill would amend the Public Health Code to require a certificate of need applicant to submit evidence of adequate access to public transportation services, if a hospital were relocating beds from a licensed site to a licensed site in another geographic location.**

Under Part 222 (Certificates of Need) of the Public Health Code, a person may not begin operation of a health facility at a site that is not currently licensed for that type of health facility, make changes in the bed capacity of a health facility, or take other specified actions, without first obtaining a certificate of need. A "certificate of need" is a certificate authorizing a new health facility, a change in bed capacity, the initiation, replacement, or expansion of a covered clinical service, or a covered capital expenditure, that is issued in accordance with Part 222. In order to be approved, an applicant for a certificate must demonstrate to the Department of Community Health that the proposed project will meet an unmet need in the area proposed to be served.

Under the bill, in the case of a hospital that was relocating beds from a licensed site to a licensed site in another geographic location, the applicant would have to submit evidence of adequate access to public transportation services, to the degree determined appropriate by the Certificate of Need Commission. The applicant could submit as evidence a formal agreement with a public transit agency servicing the area of the project that it would provide public transportation services to the hospital.

MCL 333.22225

Legislative Analyst: Patrick Affholter

### **FISCAL IMPACT**

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

Fiscal Analyst: Steve Angelotti

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