Legislative Analysis



HOSPITAL SWING BEDS

Mary Ann Cleary, Director Phone: (517) 373-8080 http://www.house.mi.gov/hfa

Senate Bill 446 without amendment Sponsor: Sen. Darwin L. Booher House Committee: Health Policy Senate Committee: Health Policy

(Enacted as Public Act 165 of 2014)

Complete to 4-21-14

A SUMMARY OF SENATE BILL 446 AS REPORTED BY COMMITTEE 3-25-14

The bill would allow a rural hospital that owns or operates a hospital long-term care unit to use a "swing bed" to provide extended care services to a patient in certain situations.

Senate Bill 446 would amend the Rural Hospitals Patient Choice Act within the Public Health Code. Under state law, smaller and rural hospitals meeting certain state and federal requirements can apply for a Certificate of Need to establish an extended care services program. The program allows an eligible hospital to operate up to 10 beds as "swing beds" and caps the allowable swing bed patient days per hospital per state fiscal year at 1,825. Generally speaking, a "swing bed" refers to a bed that a hospital can use either as an acute care bed or a skilled nursing care bed.

Currently, a hospital is prohibited from providing extended care services in a swing bed if the hospital owns or operates a hospital long-term care unit that has beds available.

<u>The bill</u> would apply this prohibition to a situation in which the long-term care unit has beds available *at the time a patient requires admission for extended care services*. (For instance, a patient admitted to a swing bed in a hospital with an attached nursing home would not have to be automatically transferred to the nursing home just because a bed became available; the patient could continue to receive skilled nursing care in the swing bed. Such flexibility could be useful when a patient is close to being discharged.)

MCL 333.22210

BRIEF DISCUSSION OF THE ISSUES:

Sometimes, a patient who is ready to be discharged from a hospital may still be in need of a few days of skilled nursing care before being able to return home or before a bed is available in an extended care facility. As explained above, small and rural hospitals may designate up to 10 acute care beds as swing beds, and may, under certain conditions, provide skilled nursing care in a swing bed rather than transferring the patient to a nursing home. Apparently, there has been some confusion regarding a provision in state law that has been interpreted to mean that a hospital that also operates a long-term care unit must transfer the patient from a swing bed to the long-term care unit as soon as a bed

there becomes available. This is done even if the patient is nearly ready to return home or be moved to a more permanent extended care facility.

Many in the health care system see this practice as being counterproductive to a patient's well-being, as a transfer that is not based on the medical needs of a patient can lead to an interruption in medical services, missed tests or missed doses of medication, and increased stress to patients and their families. Moreover, transferring Patient A, who may be released home in a few days, from a swing bed to the long-term care unit solely because a bed has just opened up may mean that Patient B, who needs to be in the long-term care unit from the beginning, must first be admitted to a swing bed, only to be transferred to the long-term care unit when Patient A is released. Such a revolving door practice is not conducive to efficient patient care.

The bill addresses the problem by clarifying that a patient may remain in a swing bed even if a bed becomes available in the hospital's long-term care unit *if*, at the time the patient had been admitted to the swing bed, a bed in the long-term care unit had not been available. The clarification will provide hospitals with greater flexibility to meet the care needs of their patients in the most efficient, effective, and less stressful manner.

FISCAL IMPACT:

The bill has no fiscal implications for the Michigan Department of Community Health or local units of government.

POSITIONS:

A representative of Munson Healthcare testified in support of the bill. (3-18-14)

A representative of Spectrum Health/Kelsey Hospital testified in support of the bill. (3-18-14)

A representative of the Michigan Center for Rural Health testified in support of the bill. (3-18-14)

Michigan Health and Hospital Association indicated support for the bill. (3-18-14)

Legislative Analyst: Susan Stutzky Fiscal Analyst: Susan Frey

[■] This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.