

HEALTH PROFESSION SANCTIONS

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

Senate Bill 577 (Substitute H-)

Sponsor: Sen. Rick Jones

House Committee: Regulatory Reform

Senate Committee: Reforms, Restructuring, and Reinventing

Complete to 3-13-14

A SUMMARY OF SENATE BILL 577 AS REPORTED FROM HOUSE COMMITTEE

The bill would amend Article 15 of the Public Health Code to do the following:

- Require the Department of Licensing and Regulatory Affairs (LARA) to investigate any allegation that grounds for disciplinary action against a health professional exist. Currently, Article 15 allows, but does not require, LARA to investigate activities related to the practice of a health profession by a licensee or registrant.
- Include as unprofessional conduct and grounds for disciplinary action (1) sexual conduct with a patient, regardless of who initiates the conduct or whether the conduct is consensual; and (2) offering practice-related services in exchange for sexual favors. Under the bill, disciplinary action would include probation, suspension, revocation, limitation, denial, or restitution, and the assessment of a fine.
- Specify that the failure to notify LARA of a criminal conviction or disciplinary action could result in administrative action.
- Remove community service as a sanction for violations, except for the violation of allowing a license or registration to be used by an unauthorized person.
- Require a disciplinary subcommittee to impose a fine of at least \$25,000 if a violation resulted in the death of one or more patients.
- Require a disciplinary subcommittee to suspend the license or registration of an individual for at least 180 days, or to revoke the license or registration, for an offense committed within two years after a previous offense of the same kind. Currently, a disciplinary subcommittee may suspend or revoke the license or registration.
- Require permanent revocation of a license or registration if the grounds for disciplinary action were based on a conviction for criminal sexual conduct, and the violation occurred while the individual was acting in his or her capacity as a licensed health professional. In other situations, the sanctions could include

probation, limitation, denial, suspension, revocation, or restitution, and the assessment of a fine.

The bill would take effect July 1, 2014.

FISCAL IMPACT:

Senate Bill 577 would have an indeterminately negative fiscal impact on the Bureau of Health Care Services (BHCS) to the extent that BHCS would expend resources to investigate allegations of activities that are grounds for disciplinary subcommittee action which the BHCS does not currently investigate.

Further an indeterminate fiscal impact would be engendered by the bill's inclusion of sexual conduct with a patient and offering to provide services in exchange for sexual favors as prohibited acts, to the extent that such acts are alleged, investigated by the BHCS, and fines for such acts are collected and deposited into the Health Professions Regulatory Fund.

Legislative Analyst: Jeff Stoutenburg
Chris Couch
Fiscal Analyst: Paul Holland

■ 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.