

Legislative Analysis



JOINT COUNTY MEDICAL CARE FACILITY BOARD OF TRUSTEES

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House Bill 4740 (reported from committee as Substitute H-1)

Sponsor: Rep. Edward McBroom

(Enacted as Public Act 39 of 2014)

Committee: Local Government

First Analysis (9-23-13)

BRIEF SUMMARY: The bill would revise both the number and the qualifications of trustees who are appointed by county boards of commissioners to serve on the board of a joint county medical care facility. [As written, the bill applies only to the Pinecrest Medical Care Facility in the Upper Peninsula, which serves the residents of three counties: Menominee, Dickinson, and Delta.]

FISCAL IMPACT: The bill would not have a significant fiscal impact on state or local units of government.

THE APPARENT PROBLEM:

Currently under the law, when two or more counties form a joint medical care facility, each county must appoint three members of their respective social welfare boards to serve as members of the facility's board of trustees. In doing so, the elected county board of commissioners loses its direct authority to administer the facility, because the accountability to the taxpayers for the facility's finances and operations rests with the commissioners' appointed trustees.

Three counties in the western Upper Peninsula of Michigan—Menominee, Dickinson, and Delta—have jointly operated the Pinecrest Medical Care Facility for over 90 years. The facility, located in Powers (within Menominee County) is a licensed long-term care facility that serves up to 160 people. It offers skilled medical care, Alzheimer's care, and also physical, occupational, and speech therapy to its residents. A nine-member board of trustees oversees the facility's operations. Each participating county board of commissioners appoints three trustees all of whom also serve on their respective counties' social welfare boards.

Legislation has been introduced to require county boards of commissioners to develop criteria for their appointees to jointly created medical care facilities, rather than relying solely on appointees selected from among those serving on their unelected social welfare boards.

THE CONTENT OF THE BILL:

Public Act 178 of 1929 allows two or more counties each with a population of less than one million to operate a joint county medical care facility. House Bill 4740 (H-1) would

amend the act to revise the number of members to be appointed to serve on the facility board of trustees, and their required qualifications.

Currently under the law, when two or more counties form a joint medical care facility, each county must appoint three members of their respective social welfare boards to serve as members of the facility's board of trustees. House Bill 4740 (H-1) would eliminate the requirement that each county's three appointees be members of their respective social welfare boards.

Within 30 days after the bill took effect, each county board of commissioners would be required to appoint one additional member to the board of trustees of the joint county medical care facility.

Under the bill, a member of the board of trustees of the facility who held office on the effective date could continue in office until he or she resigned or otherwise vacated the office, or until the expiration of the term.

Also under the bill, all of the following would apply to the county board of commissioners as they filled vacancies for trustees who held office on the effective date:

- the commissioners of each county would appoint individuals to fill the vacancies created by the first two members of the board of trustees to vacate their office; however,
- the county commissioners of each county would not appoint an individual to fill a vacancy attributable to the third trustee to vacate the office.

As is now true under the law, each county board of commissioners would appoint its three trustees for identical terms.

In addition, House Bill 4740 (H-1) requires a county board of commissioners to appoint individuals who qualify for appointment based upon criteria the county board of commissioners established.

Finally, the current law specifies the facility's board of trustees must cooperate with the state Department of Social Welfare in the construction and equipping of the facility. House Bill 4740 (H-1) would eliminate this outdated reference, and refer instead to the Department of Licensing and Regulatory Affairs.

MCL 404.2

BACKGROUND INFORMATION:

For more information about Pinecrest Medical Care Facility visit:
<http://www.pinecrestmef.org>

ARGUMENTS:

For:

County medical care facilities—extremely important health care resources in a community—have become complex organizations that require sophisticated oversight and careful control. Scores of senior citizens, as well as temporarily and permanently disabled residents, rely upon them and the health professionals who work within them for an array of increasingly specialized health and medical services and daily care.

This legislation is necessary to ensure that elected county commissioners who create a multi-county medical care facility are more directly accountable for the facility's finances and operations through the appointment of trustees who meet comprehensive criteria the commissioners develop expressly for that purpose.

POSITIONS:

The Menominee County Board of Commissioners supports the bill. (9-12-13)

The Dickinson County Board of Commissioners supports the bill. (9-12-13)

The Delta County Board of Commissioners supports the bill. (9-12-13)

The Michigan County Medical Care Facilities Council is neutral on the bill. (9-12-13)

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■ 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.