

Legislative Analysis



ALLOW RETIRED PSYCHIATRISTS TO PROVIDE SERVICES AT STATE PSYCHIATRIC HOSPITALS

Phone: (517) 373-8080
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House Bill 5664 as introduced
Sponsor: Rep. Rob VerHeulen
Committee: Appropriations

Analysis available at
<http://www.legislature.mi.gov>

Complete to 11-28-16

SUMMARY:

House Bill 5664 would amend section 68c of the State Employees' Retirement Act (MCL 38.68c) to permit a retirant to continue to receive a retirement allowance if all of the following applies:

1. The retirant is hired by the Department of Health and Human Services (DHHS) as a psychiatrist at a state-operated psychiatric hospital.
2. DHHS determines that, as a result of the retirant's previous employment with the state, the retirant possesses the experience needed to be hired as a psychiatrist and hiring the retirant is the most cost effective option for the state.
3. The retirant retired before October 1, 2015 and after a bone fide termination of employment.

Similar provisions are currently provided for health care providers employed by the Department of Corrections and special assistant attorneys general.

FISCAL IMPACT:

House Bill 5664 should have a negligible to minimal fiscal savings on overall state psychiatric hospital expenditures. At any given time, DHHS has between 10 and 15 psychiatrist positions vacant, which DHHS then has to contract out to provide those psychiatric services. DHHS recently surveyed its retired psychiatrists and found approximately 10 who were willing to return to work on either a full or part-time basis.

The bill would have no fiscal impact on the State Employees' Retirement System. Limiting the psychiatrists eligible to return to work without foregoing retirement benefits to those who retired prior to October 1, 2015 does not create an incentive to retire earlier than they might have otherwise, since that date has already passed, and thus creates no additional cost to the system.

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