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Senate Bills 65, 66, and 67 (as introduced 2-3-15)
Sponsor: Senator Goeff Hansen
Committee: Families, Seniors and Human Services

Date Completed: 3-18-15

CONTENT

Senate Bill 65 would amend Article 17 (Facilities and Agencies) of the Public Health Code to do the following:

- Specify that "medical treatment", in the definition of "nursing home", would include treatment by an employee or independent contractor licensed or otherwise authorized to engage in a health profession under Part 170 (Medicine) or Part 175 (Osteopathic Medicine and Surgery) of the Code.
- Require a nursing home to provide a program of planned and continuing nursing care under the charge of a registered nurse and a program of planned and continuing medical treatment under the charge of physicians.
- Allow a nursing home to employ or contract with an individual licensed or otherwise authorized to engage in a health profession under Part 170 or Part 175 to provide nursing care and medical treatment.
- Refer to a nursing home "resident" rather than a nursing home "patient".

Senate Bills 66 and 67 would amend the Michigan Limited Liability Company Act and the Business Corporation Act, respectively, to specify that "services in a learned profession" would not include services provided to residents of a nursing home by an osteopathic physician, physician, or surgeon who was an employee or independent contractor of the nursing home.

Senate Bills 66 and 67 are tie-barred to Senate Bill 65.

Senate Bill 65

Definition of "Nursing Home" & "Medical Treatment"

Article 17 of the Public Health Code defines "nursing home" as a nursing care facility, including a county medical care facility, that provides organized nursing care and medical treatment to seven or more unrelated individuals suffering or recovering from illness, injury, or infirmity.

The bill specifies that, as used in that definition, "medical treatment" would include treatment by an employee or independent contractor of the nursing home who was an individual licensed or otherwise authorized to engage in a health profession under Part 170 or Part 175 of the Public Health Code.

Nursing Home Care

The Code requires a nursing home to provide a program of planned and continuing medical care under the charge of physicians. The bill would refer to "treatment", rather than "care".

The bill, also would require a nursing home to provide a program of planned and continuing nursing care under the charge of a registered nurse.

The bill specifies that, regardless of its status as a legal entity, a nursing home could employ or contract with an individual licensed or otherwise authorized to engage in a health profession under Part 170 or 175 of the Public Health Code to provide the program of planned and continuing nursing care and medical treatment. The care and treatment would have to include direct clinical services to residents.

Nursing Home Resident

The bill would refer to a nursing home "resident" rather than a "patient". The Code defines "patient" as a person who receives care or services at a nursing home. Under the bill, "patient" would mean a resident and "resident" would mean an individual who receives care or services at a nursing home.

Senate Bill 66

The Michigan Limited Liability Company (LLC) Act allows an LLC to be formed for any lawful purpose for which a domestic corporation or a domestic partnership could be formed, except as otherwise provided by law. An LLC formed to provide services in a learned profession, or more than one learned profession, must comply with Article 9 (Professional Limited Liability Companies) of the Act.

The Act defines "services in a learned profession" as services rendered by a dentist, an osteopathic physician, a physician, a surgeon, a doctor of divinity or other clergy, or an attorney-at-law. The bill specifies that the term would not include services provided to residents of a nursing home by an osteopathic physician, physician, or surgeon who was an employee or independent contractor of the nursing home.

Senate Bill 67

Under the Business Corporation Act, a corporation incorporated to provide one or more services in a learned profession must be incorporated as a professional corporation under Chapter 2A (Professional Corporations) of the Act.

The Act defines "services in a learned profession" as services provided to the public by a dentist, an osteopathic physician, a physician, a surgeon, a doctor of divinity or other clergy, or an attorney-at-law. The bill specifies that the term would not include services provided to residents of a nursing home by an osteopathic physician, physician, or surgeon who was an employee or independent contractor of the nursing home.

MCL 333.20109 et al. (S.B. 65)
450.4102 (S.B. 66)
450.1109 (S.B. 67)

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

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

Fiscal Analyst: Josh Sefton

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.