



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 592 (as enacted)
Sponsor: Senator Curtis Hertel, Jr.
Senate Committee: Health Policy
House Committee: Health Policy

PUBLIC ACT 71 of 2016

Date Completed: 2-13-17

RATIONALE

According to Gift of Life Michigan, which is the State's federally designated organ procurement organization (OPO), more than 3,500 Michigan residents are waiting for organ transplants. Under the organ donation process, once a hospital patient is declared brain dead, Gift of Life is contacted to evaluate the patient's suitability for donation. If the patient is a registered organ donor, or his or her family consents to the donation, the donor is kept on a ventilator and otherwise stabilized while the viability of each organ is verified and potential recipients are identified. Then, typically, the donor's organs are removed in a hospital operating room and immediately taken to the facility where the transplant surgery will take place.

Several years ago, Gift of Life Michigan conducted a pilot program under which the organization leased two hospital operating rooms to use exclusively for the purpose of organ recovery. The pilot demonstrated increased efficiency and reduced costs compared to the standard in-hospital recovery process. Based on these results, Gift of Life began construction of an independent surgical center to be dedicated solely to the removal of donor organs. At the time, however, Michigan law limited the surgical removal of a human organ to a licensed hospital or other facility approved by the Department of Licensing and Regulatory Affairs (LARA). While Gift of Life could have requested approval from LARA to operate its new surgical center, a change in plans enabled the organization to accelerate construction and move its anticipated completion date up to March 2016. Since it was unlikely that LARA's approval could have been obtained by the time the facility was scheduled to open, it was suggested a statutory amendment should allow the use of such a facility.

CONTENT

The bill amended the Public Health Code to permit the surgical removal of a human organ in a facility operated by a federally designated organ procurement organization.

Except as otherwise provided, an individual who surgically removes a human organ for transplantation, implantation, infusion, injection, or any other medical or scientific purpose must perform the surgery only in one of the following facilities:

- A hospital licensed under the Code.
- A facility approved by the Director of the Department of Licensing and Regulatory Affairs.
- A facility operated by a federally designated organ procurement organization for the State of Michigan (as allowed by the bill).

An individual who violates this requirement is guilty of a felony.

The bill took effect on April 5, 2016.

MCL 333.10205

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

Organ and tissue removal in a facility dedicated specifically to that purpose presents a number of advantages over removal in the regular hospital setting. In a hospital, the donation process typically takes 15 to 32 hours, once death is declared. In a separate facility, organs and tissues can be recovered more quickly, meaning more transplants can be completed. Reportedly, the average number of organs transplanted per donor through Gift of Life's pilot project was 4.2, an increase over the organization's Michigan average of 3.9 and the national average of 3.3. Also, in a dedicated facility, organ and tissue recovery is the top priority of staff and resources, and risk is lower than in a hospital. As a result, the donor organs and tissues are of higher quality. These outcomes translate to more lives saved.

In addition, transferring donors to an offsite location for the organ removal makes hospital beds and operating rooms available for patients who need critical care in order to survive. At the same time, families of donors may receive more time and personal attention from staff at the dedicated facility as they process the loss of their loved ones, consider organ and tissue donation, and make funeral arrangements.

According to Gift of Life Michigan, for each donor transferred to an offsite surgical facility, the cost of organ procurement is approximately \$5,000 less than the cost in a hospital. Dedicating a facility specifically to organ recovery generates economies of scale by ensuring timely availability of an operating room, cost predictability, and the presence of an onsite surgical team. The savings can be passed on directly to transplant centers.

The Gift of Life pilot program demonstrated a number of benefits for people in need of transplants, hospitals and their living patients, and the families of organ and tissue donors. By providing statutory authorization for the organ procurement facility, the bill enabled Gift of Life to begin operating the new surgical center as soon as possible after completion, without having to wait for administrative approval. Should other facilities be constructed in the future, they will be allowed, as well.

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bill has 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.