



Senate Fiscal Agency  
P. O. Box 30036  
Lansing, Michigan 48909-7536

## BILL ANALYSIS



Telephone: (517) 373-5383  
Fax: (517) 373-1986

Senate Bill 592 (Substitute S-1 as passed by the Senate)  
Sponsor: Senator Curtis Hertel, Jr.  
Committee: Health Policy

Date Completed: 2-17-16

### **RATIONALE**

According to Gift of Life Michigan, the State's federally designated organ procurement organization (OPO), more than 3,500 Michigan residents currently 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. The donor's organs are then removed in a hospital operating room and immediately taken to the facility where the transplant surgery will take place.

Gift of Life Michigan recently 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 typical 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. Michigan law, however, limits 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 may request 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. Evidently, it is unlikely that LARA's approval can be secured by the time the facility is scheduled to open. Thus, it has been suggested that a facility operated by a federally designated OPO should be included among those in which organs may be removed under statute, so Gift of Life Michigan may proceed with its expansion beyond the pilot project and operate this facility, and potentially others in the future, without having to seek separate administrative approval.

### **CONTENT**

**The bill would amend the Public Health Code to include a facility operated by a federally designated organ procurement organization for the State of Michigan among the facilities in which the surgical removal of a human organ may be performed.**

Currently, 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 a licensed hospital or a facility approved by the LARA Director. An individual who violates this requirement is guilty of a felony.

The bill would expand the facilities in which the surgical removal of a human organ may be performed, as described above.

The bill would take effect 90 days after it was enacted.

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. The current 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, unlike a hospital, a dedicated facility is in a position to make organ and tissue recovery the top priority in terms of facility staff and resources, and decreases risk. 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 those patients who are still alive and 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 the possibility of organ and tissue donation, and begin to make funeral arrangements.

Gift of Life Michigan reports that, 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. According to the organization, 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 directly to transplant centers.

The Gift of Life pilot program has demonstrated a number of benefits for people in need of transplants, hospitals and their living patients, and the families of organ and tissue donors. State law should enable the more widespread operation of dedicated organ recovery facilities in order to maximize these benefits and save more lives. Although Gift of Life can obtain authorization from the LARA Director to operate such facilities under existing law, there is no guarantee that a future Director would be agreeable to granting approval. Additionally, the process for obtaining approval can be time consuming. By providing statutory authorization for the OPO facility, the bill would enable 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 would be allowed, as well.

Legislative Analyst: Julie Cassidy

## **FISCAL IMPACT**

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

Fiscal Analyst: Josh Sefton

A1516\592a

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.