



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

BILL ANALYSIS



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

Senate Bill 1160 (as introduced 10-1-20)
Sponsor: Senator Rick Outman
Committee: Health Policy and Human Services

Date Completed: 11-12-20

CONTENT

The bill would amend the Public Health Code to modify provisions pertaining to a certificate of need for an extended care services program.

The Code specifies that a hospital that applies to the Department of Health and Human Services (DHHS) for a certificate of need and meets certain criteria must be granted a certificate of need for an extended care services program with up to 10 licensed hospital beds. "Extended care services program" means a program by a hospital to provide extended care services to a patient through the use of swing beds under 42 USC 1395tt, which governs hospitals providers of extended care services.

Among the required criteria is that the hospital must provide satisfactory evidence to the DHHS that it has had difficulty in placing patients in skilled nursing home beds during the 12 months immediately preceding the date of application. The bill would delete this requirement.

The Code requires a hospital that is granted a certificate of need for an extended care services program to comply with certain requirements, including the following:

- Not allow the number of patient days for extended care services programs to exceed the equivalent of 1,825 patient days for a single State fiscal year.
- Provide data to the DHHS considered necessary by the Department to evaluate the extended care services program, including the total number of patients admitted to the hospital's extended care services program during the period specified by the Department, the total number of extended care services patient days for the period specified by the Department, and information identifying the type of care to which patients in the extended care services program are released.

The bill would delete these requirements.

Under the bill, beginning January 1, 2021, a hospital that was granted a certificate of need for an extended care services program would have to submit a report to the DHHS in a form and manner prescribed by the Department that included all of the following information:

- The total number of patients admitted to the hospital's extended care services program during the period specified by the Department.
- The total number of extended care services patient days for the period specified by the Department.
- Information identifying the type of care to which patients in the extended care services program are released.

- Any other information considered necessary to the Department to evaluate the extended care services program.

MCL 333.22210

Legislative Analyst: Stephen Jackson

FISCAL IMPACT

The bill would remove one criterion for a certificate of need for extended care beds. While this could lead to more of these beds being allowed through the certificate of need process, any fiscal impact would be minor. The bill also would require hospitals to file a report with the Department of Health and Human Services; this provision would have no fiscal impact.

Fiscal Analyst: Steve Angelotti

SAS\S1920\s1160sa

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.