

**HOSPITAL AUTHORITY (EXCERPT)**  
**Act 47 of 1945**

**331.8i Free service by hospital prohibited; rates for services.**

Sec. 8i. Free service may not be furnished by a hospital, the revenues of which are pledged for the payment of bonds, to a person, firm, or corporation, public or private, or to a public agency or instrumentality. The reasonable cost and value of a service rendered to a public agency, including a member city, township, or village, shall be paid for as the service accrues from its current funds and the charges when so paid shall be accounted for in the same manner as other revenues of the hospitals. Rates for services furnished by a hospital, the revenues of which are pledged for the payment of bonds, shall be fixed precedent to the issuance of the bonds. The rates shall be sufficient to provide for the payment of the expenses of administration, operation, and maintenance of the hospital as may be necessary to preserve the same in good repair and working order. The rates shall be sufficient to provide for the payment of principal of and interest on the bonds payable from the revenues of the hospital, as, and when, the same become due and payable, taking into account, however, amounts assessed or to be assessed against a member city, township, or village as provided in this act, and for the creation of any reserve for the payment of principal and interest as required in the resolution. The rates shall be sufficient to provide for such other expenditures and funds for the hospital as the resolution may require. The rates shall be fixed and revised from time to time by the hospital authority board so as to produce these amounts, and the hospital authority board shall covenant and agree in the resolution authorizing the issuance of the bonds, and on the face of each bond, to maintain at all times such rates for services furnished by such hospitals as shall be sufficient to provide for the foregoing. Rates charged for the services furnished by a hospital, the revenues of which are pledged for the payment of bonds under this act, shall not be subject to approval by any state, bureau, board, commission, or other like instrumentality or agency thereof.

**History:** Add. 1973, Act 161, Imd. Eff. Dec. 14, 1973.

**Popular name:** Municipal Hospital Authority Act