

**MICHIGAN HEALTH PLANNING AND HEALTH POLICY DEVELOPMENT ACT**  
**Act 323 of 1978**

AN ACT to facilitate the development of a comprehensive state health policy; to coordinate state and area planning for health services, personnel, and facilities; to improve the accessibility, acceptability, continuity, and quality of health services; to restrain increases in the cost of providing health care; to prevent unnecessary duplication of health resources; to provide for the creation of a state health planning council; to create an office of health and medical affairs; and to prescribe the powers and duties of the council and the office.

**History:** 1978, Act 323, Imd. Eff. July 10, 1978;—Am. 1988, Act 309, Eff. Oct. 1, 1988.

**Compiler's note:** For transfer of powers, duties, and functions of the Office of Health and Medical Affairs from the Department of Management and Budget to the Department of Public Health, see E.R.O. No. 1991-10 compiled at MCL 325.3051 of the Michigan Compiled Laws.

For transfer of the powers, duties, and functions of the State Health Planning Council from the Executive Office of the Governor to the Department of Public Health, see E.R.O. No. 1991-10 compiled at MCL 325.3051 of the Michigan Compiled Laws.

*The People of the State of Michigan enact:*

**325.2001 Short title.**

Sec. 1. This act shall be known and may be cited as the “Michigan health planning and health policy development act”.

**History:** 1978, Act 323, Imd. Eff. July 10, 1978;—Am. 1988, Act 309, Eff. Oct. 1, 1988.

**Compiler's note:** For transfer of powers, duties, and functions of the Office of Health and Medical Affairs from the Department of Management and Budget to the Department of Public Health, see E.R.O. No. 1991-10 compiled at MCL 325.3051 of the Michigan Compiled Laws.

For transfer of the powers, duties, and functions of the State Health Planning Council from the Executive Office of the Governor to the Department of Public Health, see E.R.O. No. 1991-10 compiled MCL 325.3051 of the Michigan Compiled Laws.

**325.2002 Meanings of words and phrases.**

Sec. 2. For purposes of this act, the words and phrases defined in sections 3 to 6 have the meanings ascribed to them in those sections.

**History:** 1978, Act 323, Imd. Eff. July 10, 1978.

**325.2003 Definitions; C to D.**

Sec. 3. (1) “Consumer of health care” means an individual who meets all of the following requirements:

- (a) Is not a purchaser or payer of health care.
- (b) Is not a member of the immediate family of either a licensed health professional or a provider of health care.
- (c) Does not hold a fiduciary position with, or have a fiduciary interest in, a health care facility or organization.
- (2) In addition to meeting the requirements of subsection (1), a consumer of health care may represent an organization including, but not limited to, a labor union, senior citizen organization, or social welfare group.
- (3) “Council” means the state health planning council created in section 7.
- (4) “Director” means the director of the office of health and medical affairs.

**History:** 1978, Act 323, Imd. Eff. July 10, 1978;—Am. 1988, Act 309, Eff. Oct. 1, 1988.

**325.2004 Definitions; H to I.**

Sec. 4. (1) “Health service area” means an area designated by the secretary pursuant to section 1511 of title 15 of the public health services act, 42 U.S.C. 3001, as a health service area.

(2) “Health systems agency” means a conditionally or fully designated health systems agency for a health service area within this state designated pursuant to section 1515 of title 15 of the public health services act, 42 U.S.C. 3001-4.

(3) “Health systems plan” means a plan developed by a health systems agency pursuant to section 1513(b)(2) of title 15 of the public health services act, 42 U.S.C. 3001-2.

(4) “Institutional health services” means the health services provided through health care facilities and health maintenance organizations as defined under section 1122 of the social security act, 42 U.S.C. 1320a-1, or under the state certificate of need program under Act No. 256 of the Public Acts of 1972, as amended, being sections 331.451 to 331.462 of the Michigan Compiled Laws, and includes the entities in or through which those services are provided. The term does not include a Christian science sanatorium operated, or listed and certified, by the first church of Christ, scientist, Boston, Massachusetts.

**History:** 1978, Act 323, Imd. Eff. July 10, 1978.

### **325.2005 Definitions; O, P.**

Sec. 5. (1) "Office" means the office of health and medical affairs created in section 14.

(2) "Provider of health care" means an individual who represents a health care provider organization concerned with health facilities or licensed health professionals.

**History:** 1978, Act 323, Imd. Eff. July 10, 1978;—Am. 1988, Act 309, Eff. Oct. 1, 1988.

### **325.2006 Definitions; P.**

Sec. 6. "Purchaser or payer of health care" means an individual who represents a health care purchaser or payer, including but not limited to, an employer, health and welfare trust fund, government health benefits program, nonprofit health care corporation, or insurer that purchases or pays for group health care benefits or services.

**History:** 1978, Act 323, Imd. Eff. July 10, 1978;—Am. 1988, Act 309, Eff. Oct. 1, 1988.

### **325.2007 State health planning council; creation; appointment and qualifications of members; legislators as nonvoting members.**

Sec. 7. (1) The state health planning council may be created in the executive office of the governor. The council shall consist of 24 voting members appointed by the governor with the advice and consent of the senate. The members shall be appointed from the categories set forth in subsection (2). In making the appointments, the governor shall, to the extent feasible, assure that the membership of the council will be broadly representative of the social, economic, linguistic, and racial populations, and geographic areas of this state.

(2) Eight members of the council shall be appointed from each of the following categories:

- (a) Consumers of health care.
- (b) Providers of health care.
- (c) Purchasers or payers of health care.

(3) Four representatives of the legislature shall serve as nonvoting representatives to the council. Two shall be selected by the speaker of the house of representatives and 2 shall be selected by the majority leader of the senate.

**History:** 1978, Act 323, Imd. Eff. July 10, 1978;—Am. 1988, Act 309, Eff. Oct. 1, 1988.

### **325.2008 State health planning council; terms of members; expiration of appointment; vacancy; maximum consecutive terms; adoption and contents of bylaws; election of chairperson and vice-chairperson; standing committees; advisory committees; meetings; travel or other expenses.**

Sec. 8. (1) A term of office for a member of the council shall be for 3 years, except as provided in subsection (2).

(2) Of the original voting members appointed to the council, 8 shall serve for a term of 1 year, 8 shall serve for a term of 2 years, and 8 shall serve for a term of 3 years.

(3) An appointment shall expire at the end of the term or when a successor is appointed and confirmed, whichever is later.

(4) A vacancy shall be filled in the same manner as the original appointment. After serving 2 consecutive terms, an individual shall not be appointed to the council until the expiration of 3 years after the termination of the individual's second term.

(5) The council shall adopt bylaws for its operation. The bylaws shall include procedures for the removal and replacement of members in accordance with section 7, voting procedures which protect against conflict of interest, and minimal requirements for attendance at meetings.

(6) The council shall annually elect a chairperson and a vice-chairperson from its voting members. A person shall not hold the office of chairperson or vice-chairperson for more than 3 consecutive years.

(7) The council may establish standing committees from within its membership necessary or appropriate to perform its functions. A standing committee shall have a majority of members who are not providers of health care. The council may approve, disapprove, or amend a decision of a standing committee.

(8) The council may establish advisory committees under the directorship of the council, which may include individuals who are not council members.

(9) The council and each of its committees shall conduct all meetings in public in compliance with the open meetings act, Act No. 267 of the Public Acts of 1976, being sections 15.261 to 15.275 of the Michigan Compiled Laws. The council shall meet not less than 6 times a year, and at least once in each quarter.

(10) Travel or other expenses, or both, incurred by a council member in the performance of official functions authorized by this act and which are payable out of appropriations shall be paid pursuant to the standardized travel regulations of the department of management and budget.

**History:** 1978, Act 323, Imd. Eff. July 10, 1978;—Am. 1988, Act 309, Eff. Oct. 1, 1988.

### **325.2009 Repealed. 1988, Act 309, Eff. Oct. 1, 1988.**

**Compiler's note:** The repealed section pertained to powers and duties of statewide health coordinating council.

### **325.2010 State health planning council; duties.**

Sec. 10. (1) The council shall carry out the following activities relating to state health planning and health policy development:

(a) Subject to subsection (2), prepare and approve the state health plan not less frequently than once every 3 years. The council may revise individual components of the plan as considered necessary by the council.

(b) Submit the proposed state health plan to the governor and the standing committee of each house of the legislature having jurisdiction over public health matters. The governor or legislature may disapprove the plan within 60 legislative session days after submission. If the legislature is not in session at the time of submission, the 60 legislative session days shall commence the first day on which the legislature reconvenes. Legislative disapproval shall be expressed by concurrent resolution which shall be adopted by a record roll call vote of each house of the legislature. The concurrent resolution shall state specific objections to the plan. If the proposed state health plan is disapproved by concurrent resolution, the council shall revise the plan based on the stated objections. If the plan is not disapproved within the 60 legislative session days, the plan shall be considered approved. As used in this subdivision, "legislative session day" means each day in which a quorum of either the house of representatives or senate, following a call to order, officially convenes in Lansing to conduct legislative business.

(c) Annually review program activities and budgets of state departments which are related to health and medical care to determine consistency of these activities and budgets with the state health plan. The council shall report its conclusions to appropriate legislative committees, to the governor, and to other affected agencies.

(d) Actively pursue implementation of the recommendations contained in the state health plan. An annual implementation plan shall be prepared and submitted to the legislature, the governor, and other interested parties.

(e) Provide a public forum for the discussion and identification of priority health issues.

(f) Make recommendations to the governor, the legislature, and other affected agencies regarding current or proposed changes in federal and state health statutes, policies, and budgets, taking into account the state health plan.

(g) Cooperate with legislative committees having jurisdiction over health matters and advise in the development of a consistent and coordinated policy for health affairs in this state.

(h) Assess the policies and rules of state departments and agencies concerning the collection and application of statistics relating to health, health planning, and health policy development, and periodically make recommendations to the governor, the legislature, and other affected agencies for improvement and coordination of the statistics. The council shall report its conclusions under this subdivision to appropriate legislative committees, the governor, and other affected agencies. The report shall recommend, at a minimum, policies concerning accessibility of data, uniformity and reliability of data, independent and shared use of data, and coordination of health data systems.

(i) Perform other duties as specified in part 222 of the public health code, Act No. 368 of the Public Acts of 1978, being sections 333.22201 to 333.22259 of the Michigan Compiled Laws.

(2) The state health plan shall do all of the following:

(a) Address mechanisms to promote adequate access to health care for all segments of the state's population.

(b) Outline initiatives designed to contain the costs of health care and improve the efficiency with which services are delivered.

(c) Address the ways in which changes in individual behavior and responsibility can assist in reducing the costs of health care.

(d) Promote innovative and cost effective strategies for projecting and addressing the future needs of the population.

(e) Encourage the rational development and distribution of health care services.

(f) Suggest means by which the quality of health care services can be improved through changes in the delivery system.

(g) Promote cooperation between the public and private sectors in achieving subdivisions (a) to (f).

**History:** 1978, Act 323, Imd. Eff. July 10, 1978;—Am. 1979, Act 61, Imd. Eff. July 24, 1979;—Am. 1988, Act 309, Eff. Oct. 1, 1988.

**325.2011 Repealed. 1988, Act 309, Eff. Oct. 1, 1988.**

**Compiler's note:** The repealed section pertained to activities related to state health policy development functions.

**325.2012 Providing policy direction and guidance to office of health and medical affairs; prohibited delegation.**

Sec. 12. (1) The council shall provide policy direction and guidance to the office in the performance of activities or functions related to the council's powers, duties, or activities.

(2) The council shall not delegate its responsibility for the final approval of the state health plan.

**History:** 1978, Act 323, Imd. Eff. July 10, 1978;—Am. 1988, Act 309, Eff. Oct. 1, 1988.

**325.2013 Repealed. 1988, Act 309, Eff. Oct. 1, 1988.**

**Compiler's note:** The repealed section pertained to activities related to health systems agency functions.

**325.2014 Office of health and medical affairs; creation; function.**

Sec. 14. The office of health and medical affairs is created in the department of management and budget. The office shall serve as the state health planning and health policy development agency.

**History:** 1978, Act 323, Imd. Eff. July 10, 1978;—Am. 1988, Act 309, Eff. Oct. 1, 1988.

**325.2015 Office of health and medical affairs; duties generally.**

Sec. 15. The office shall do all of the following:

(a) Develop the preliminary state health plan after review and consideration of input from other public and private agencies, including, but not limited to, local health related entities. The preliminary state health plan shall be transmitted to the state health planning council for review, revision, and approval.

(b) Serve as staff to and provide administrative support for the council through the provision of adequate personnel, payment of operating expenses, and provision of appropriate training programs.

(c) The director of the office shall serve as secretary of the council.

**History:** 1978, Act 323, Imd. Eff. July 10, 1978;—Am. 1988, Act 309, Eff. Oct. 1, 1988.

**325.2016 Repealed. 1988, Act 309, Eff. Oct. 1, 1988.**

**Compiler's note:** The repealed section pertained to reviews of institutional health services and appeals.

**325.2017 Additional duties of office.**

Sec. 17. In addition to the duties prescribed under section 15, the office shall do all of the following:

(a) Collect and publish technical and other information, if the collection and publication of such information is not duplicative, that would promote informed decision making by individuals and groups related to services, financing and delivery systems, and health benefit design.

(b) Identify priority health issues and create strategies to address the priority health issues in a coordinated manner. The office may convene appropriate groups and consult with the council in carrying out the duties of the office under this subdivision.

(c) Collect, retrieve, analyze, report, and publish data and information concerning health policy and health planning to the maximum extent possible using existing data and information from extant sources. The office shall utilize the data, statistics, and other information collected or prepared by other state and local agencies concerning the health status and health needs of the people of this state.

(d) Perform other duties and responsibilities prescribed by the governor or the legislature.

(e) Inform the council of the activities of the office.

(f) Recommend to the governor, legislature, and other state departments and agencies ways to implement the state health plan.

(g) Advise the governor and the legislature as to plans and policies of state departments and agencies and other public and private entities relating to health activities appropriate to assure implementation of the state health plan.

(h) Develop recommendations to improve the organization, delivery, and financing of health care.

(i) Advise the governor and the legislature on the steps necessary to achieve and facilitate a consistent and coordinated policy for health affairs in this state.

(j) Perform other duties as specified in part 222 of the public health code, Act No. 368 of the Public Acts of 1978, being sections 333.22201 to 333.22259 of the Michigan Compiled Laws.



**History:** 1978, Act 323, Imd. Eff. July 10, 1978;—Am. 1988, Act 309, Eff. Oct. 1, 1988.

**325.2018 Repealed. 1988, Act 309, Eff. Oct. 1, 1988.**

**Compiler's note:** The repealed section pertained to functions performed by other departments or agencies.

**325.2019 Availability of records and data to public; fees.**

Sec. 19. Except as prohibited by law protecting confidential information, the office shall make records and data available upon request to the public and may charge fees for the cost of the records and data.

**History:** 1978, Act 323, Imd. Eff. July 10, 1978.

**325.2019a Interim performance of duties.**

Sec. 19. The statewide health coordinating council created under section 7, before section 7 was amended by the amendatory act that added this section, may perform the duties of the state health planning council until all 24 members of the council are appointed and confirmed or 5 months after the effective date of this section, whichever is sooner.

**History:** Add. 1988, Act 309, Eff. Oct. 1, 1988.

**Compiler's note:** Section 19 of Act 323 of 1978 is compiled as MCL 325.2019. The section 19 added by Act 309 of 1988 is compiled as MCL 325.2019a.

**325.2020 Rules.**

Sec. 20. The office, with the approval of the council, may promulgate rules pursuant to the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, being sections 24.201 to 24.328 of the Michigan Compiled Laws, to implement this act.

**History:** 1978, Act 323, Imd. Eff. July 10, 1978;—Am. 1988, Act 309, Eff. Oct. 1, 1988.

**325.2021 Criminal or civil liability of member or employee.**

Sec. 21. An individual who as a member of the council or as an employee of the office, by reason of the performance of a required or authorized duty, function, or activity, shall not be held to have violated a criminal law of this state or to be civilly liable under the law of this state if the individual acted within the scope of the duty, function, or activity, except for wanton and willful misconduct.

**History:** 1978, Act 323, Imd. Eff. July 10, 1978;—Am. 1988, Act 309, Eff. Oct. 1, 1988.

**325.2022-325.2027 Repealed. 1988, Act 309, Eff. Oct. 1, 1988.**

**Compiler's note:** The repealed sections pertained to health systems agencies, health systems plans, and guidelines, standards, and criteria.

**325.2028 Conducting meetings in public.**

Sec. 28. The office shall conduct all meetings in public in compliance with the open meetings act, Act No. 267 of the Public Acts of 1976, being sections 15.261 to 15.275 of the Michigan Compiled Laws.

**History:** 1978, Act 323, Imd. Eff. July 10, 1978;—Am. 1988, Act 309, Eff. Oct. 1, 1988.

**325.2029 Availability of records and data to public.**

Sec. 29. The council, and the office shall make records and data compiled under this act available upon request to the public in compliance with the freedom of information act, Act No. 442 of the Public Acts of 1976, being sections 15.231 to 15.246 of the Michigan Compiled Laws.

**History:** 1978, Act 323, Imd. Eff. July 10, 1978;—Am. 1988, Act 309, Eff. Oct. 1, 1988.

**325.2030 Repealed. 1988, Act 309, Eff. Oct. 1, 1988.**

**Compiler's note:** The repealed section pertained to report to legislature.

**325.2031 Review of act by legislature.**

Sec. 31. This act shall be reviewed by the standing committee of each house of the legislature having jurisdiction over public health matters by January 1, 1994.

**History:** 1978, Act 323, Imd. Eff. July 10, 1978;—Am. 1988, Act 309, Eff. Oct. 1, 1988.