



HOUSE BILL No. 5873

November 10 1994 Introduced by Rep Gagliardi and referred to the Committee on Public Health

A bill to amend section 22209 of Act No 368 of the Public Acts of 1978 entitled as amended

Public health code

as amended by Act No 88 of the Public Acts of 1993, being section 333 22209 of the Michigan Compiled Laws

THE PEOPLE OF THE STATE OF MICHIGAN ENACT

1 Section 1 Section 22209 of Act No 368 of the Public Acts
2 of 1978, as amended by Act No 88 of the Public Acts of 1993,
3 being section 333 22209 of the Michigan Compiled Laws, is amended
4 to read as follows

5 Sec 22209 (1) Except as otherwise provided in this part,
6 a person shall not do any of the following without first obtain-
7 ing a certificate of need

1 (a) Acquire an existing health facility or begin operation
2 of a health facility at a site that is not currently licensed for
3 that type of health facility

4 (b) Make a change in the bed capacity of a health facility

5 (c) Initiate replace, or expand a covered clinical
6 service

7 (d) Make a covered capital expenditure

8 (2) A certificate of need is not required for a reduction in
9 licensed bed capacity or services at a licensed site

10 (3) SUBSECTION (1)(D) DOES NOT APPLY TO A HOSPITAL LOCATED
11 IN A COUNTY WITH A POPULATION OF FEWER THAN 100,000

12 (4) ~~(3)~~ An applicant seeking a certificate of need for the
13 acquisition of an existing health facility may file a single,
14 consolidated application for the certificate of need if the
15 project results in the acquisition of an existing health facility
16 but does not result in an increase or relocation of licensed beds
17 or the initiation expansion or replacement of a covered clinical
18 service Except as otherwise provided in this subsection, a
19 person acquiring an existing health facility is subject to the
20 applicable certificate of need review standards in effect on the
21 date of the transfer for the covered clinical services provided
22 by the acquired health facility The department may except 1 or
23 more of the covered clinical services listed in section
24 22203(10)(b), except the covered clinical service listed in section
25 22203(10)(b)(iv), from the minimum volume requirements in
26 the applicable certificate of need review standards in effect on
27 the date of the transfer if the equipment used in the covered

1 clinical service is unable to meet the minimum volume
2 requirements due to the technological incapacity of the
3 equipment A covered clinical service excepted by the department
4 under this subsection is subject to all the other provisions in
5 the applicable certificate of need review standards in effect on
6 the date of the transfer, except minimum volume requirements

7 (f) ~~(4)~~ The center for rural health created in
8 section 2612 shall designate a certificate of need ombudsman to
9 provide technical assistance and consultation to hospitals and
10 communities located in rural counties regarding certificate of
11 need proposals and applications under this part The ombudsman
12 shall also act as an advocate for health concerns of rural coun-
13 ties in the development of certificate of need review standards
14 under this part