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**SFA****BILL ANALYSIS**

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Senate Bill 537 (as introduced 4-22-99)  
Sponsor: Senator John J.H. Schwarz, M.D.  
Committee: Health Policy

Date Completed: 4-27-99

### **CONTENT**

The bill would amend Part 222 of the Public Health Code, which governs the certificate of need (CON) process, to allow the Director of the Department of Community Health to waive the two-mile radius limitation regarding replacement nursing home beds in a nonrural county, if he or she determined that the waiver would serve a good public health purpose.

Currently, replacement beds in a nursing home located in a nonrural county, that are proposed for construction on the original site, on a contiguous site, or within a two-mile radius of the original site, are not subject to comparative review. Replacement beds proposed for construction in rural counties are not subject to comparative review. ("Comparative review", while not defined in statute, is described in rules as a method of reviewing applications of a "comparative group"; that is, applications that have been grouped for the same type of project in the same planning area and that are being reviewed comparatively in accordance with the CON rules.)

MCL 333.22229

Legislative Analyst: G. Towne

### **FISCAL IMPACT**

As the bill should not result in an increase in the total number of nursing home beds in the State, the bill would have no fiscal impact on State or local revenues or expenditures.

Fiscal Analyst: P. Graham

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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.