

HOUSE SUBSTITUTE FOR  
SENATE BILL NO. 1580

A bill to amend 1974 PA 258, entitled  
"Mental health code,"  
by amending section 134a (MCL 330.1134a), as added by 2006 PA 27.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 134a. (1) Except as otherwise provided in subsection (2),  
2 a psychiatric facility or intermediate care facility for people  
3 with mental retardation shall not employ, independently contract  
4 with, or grant clinical privileges to an individual who regularly  
5 has direct access to or provides direct services to patients or  
6 residents in the psychiatric facility or intermediate care facility  
7 for people with mental retardation after ~~the effective date of this~~  
8 ~~section~~ **APRIL 1, 2006** if the individual satisfies 1 or more of the  
9 following:

10           (a) Has been convicted of a relevant crime described under 42

1 USC 1320a-7.

2 (b) Has been convicted of any of the following felonies, an  
3 attempt or conspiracy to commit any of those felonies, or any other  
4 state or federal crime that is similar to the felonies described in  
5 this subdivision, other than a felony for a relevant crime  
6 described under 42 USC 1320a-7, unless 15 years have lapsed since  
7 the individual completed all of the terms and conditions of his or  
8 her sentencing, parole, and probation for that conviction prior to  
9 the date of application for employment or clinical privileges or  
10 the date of the execution of the independent contract:

11 (i) A felony that involves the intent to cause death or serious  
12 impairment of a body function, that results in death or serious  
13 impairment of a body function, that involves the use of force or  
14 violence, or that involves the threat of the use of force or  
15 violence.

16 (ii) A felony involving cruelty or torture.

17 (iii) A felony under chapter XXA of the Michigan penal code,  
18 1931 PA 328, MCL 750.145m to 750.145r.

19 (iv) A felony involving criminal sexual conduct.

20 (v) A felony involving abuse or neglect.

21 (vi) A felony involving the use of a firearm or dangerous  
22 weapon.

23 (vii) A felony involving the diversion or adulteration of a  
24 prescription drug or other medications.

25 (c) Has been convicted of a felony or an attempt or conspiracy  
26 to commit a felony, other than a felony for a relevant crime  
27 described under 42 USC 1320a-7 or a felony described under

1 subdivision (b), unless 10 years have lapsed since the individual  
2 completed all of the terms and conditions of his or her sentencing,  
3 parole, and probation for that conviction prior to the date of  
4 application for employment or clinical privileges or the date of  
5 the execution of the independent contract.

6 (d) Has been convicted of any of the following misdemeanors,  
7 other than a misdemeanor for a relevant crime described under 42  
8 USC 1320a-7, or a state or federal crime that is substantially  
9 similar to the misdemeanors described in this subdivision, within  
10 the 10 years immediately preceding the date of application for  
11 employment or clinical privileges or the date of the execution of  
12 the independent contract:

13 (i) A misdemeanor involving the use of a firearm or dangerous  
14 weapon with the intent to injure, the use of a firearm or dangerous  
15 weapon that results in a personal injury, or a misdemeanor  
16 involving the use of force or violence or the threat of the use of  
17 force or violence.

18 (ii) A misdemeanor under chapter XXA of the Michigan penal  
19 code, 1931 PA 328, MCL 750.145m to 750.145r.

20 (iii) A misdemeanor involving criminal sexual conduct.

21 (iv) A misdemeanor involving cruelty or torture unless  
22 otherwise provided under subdivision (e).

23 (v) A misdemeanor involving abuse or neglect.

24 (e) Has been convicted of any of the following misdemeanors,  
25 other than a misdemeanor for a relevant crime described under 42  
26 USC 1320a-7, or a state or federal crime that is substantially  
27 similar to the misdemeanors described in this subdivision, within

1 the 5 years immediately preceding the date of application for  
2 employment or clinical privileges or the date of the execution of  
3 the independent contract:

4 (i) A misdemeanor involving cruelty if committed by an  
5 individual who is less than 16 years of age.

6 (ii) A misdemeanor involving home invasion.

7 (iii) A misdemeanor involving embezzlement.

8 (iv) A misdemeanor involving negligent homicide **OR A MOVING**  
9 **VIOLATION CAUSING DEATH.**

10 (v) A misdemeanor involving larceny unless otherwise provided  
11 under subdivision (g).

12 (vi) A misdemeanor of retail fraud in the second degree unless  
13 otherwise provided under subdivision (g).

14 (vii) Any other misdemeanor involving assault, fraud, theft, or  
15 the possession or delivery of a controlled substance unless  
16 otherwise provided under subdivision (d), (f), or (g).

17 (f) Has been convicted of any of the following misdemeanors,  
18 other than a misdemeanor for a relevant crime described under 42  
19 USC 1320a-7, or a state or federal crime that is substantially  
20 similar to the misdemeanors described in this subdivision, within  
21 the 3 years immediately preceding the date of application for  
22 employment or clinical privileges or the date of the execution of  
23 the independent contract:

24 (i) A misdemeanor for assault if there was no use of a firearm  
25 or dangerous weapon and no intent to commit murder or inflict great  
26 bodily injury.

27 (ii) A misdemeanor of retail fraud in the third degree unless

1 otherwise provided under subdivision (g).

2 (iii) A misdemeanor under part 74 of the public health code,  
3 1978 PA 368, MCL 333.7401 to 333.7461, unless otherwise provided  
4 under subdivision (g).

5 (g) Has been convicted of any of the following misdemeanors,  
6 other than a misdemeanor for a relevant crime described under 42  
7 USC 1320a-7, or a state or federal crime that is substantially  
8 similar to the misdemeanors described in this subdivision, within  
9 the year immediately preceding the date of application for  
10 employment or clinical privileges or the date of the execution of  
11 the independent contract:

12 (i) A misdemeanor under part 74 of the public health code, 1978  
13 PA 368, MCL 333.7401 to 333.7461, if the individual, at the time of  
14 conviction, is under the age of 18.

15 (ii) A misdemeanor for larceny or retail fraud in the second or  
16 third degree if the individual, at the time of conviction, is under  
17 the age of 16.

18 (h) Is the subject of an order or disposition under section  
19 16b of chapter IX of the code of criminal procedure, 1927 PA 175,  
20 MCL 769.16b.

21 (i) Has been the subject of a substantiated finding of  
22 neglect, abuse, or misappropriation of property by a state or  
23 federal agency pursuant ~~to~~ **ACCORDING** to an investigation conducted in  
24 accordance with 42 USC 1395i-3 or 1396r.

25 (2) Except as otherwise provided in subsection (5), a  
26 psychiatric facility or intermediate care facility for people with  
27 mental retardation shall not employ, independently contract with,

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1 or grant privileges to an individual who regularly has direct  
2 access to or provides direct services to patients or residents in  
3 the psychiatric facility or intermediate care facility for people  
4 with mental retardation after ~~the effective date of this section~~  
5 **APRIL 1, 2006** until the psychiatric facility or intermediate care  
6 facility for people with mental retardation conducts a criminal  
7 history check in compliance with subsection (4). This subsection  
8 and subsection (1) do not apply to any of the following:

9 (a) An individual who is employed by, under independent  
10 contract to, or granted clinical privileges in a psychiatric  
11 facility or intermediate care facility for people with mental  
12 retardation before ~~the effective date of this section~~ **APRIL 1,**  
13 **2006.** ~~Within 24 months after the effective date of this section~~ **BY**  
14 **APRIL 1, [2011],** an individual who is exempt under this subdivision  
15 shall provide the department of state police with a set of  
16 fingerprints and the department of state police shall input those  
17 fingerprints into the automated fingerprint identification system  
18 database established under subsection (12). An individual who is  
19 exempt under this subdivision is not limited to working within the  
20 psychiatric facility or intermediate care facility for people with  
21 mental retardation with which he or she is employed by, under  
22 independent contract to, or granted clinical privileges on ~~the~~  
23 ~~effective date of this section~~ **APRIL 1, 2006.** That individual may  
24 transfer to another psychiatric facility or intermediate care  
25 facility for people with mental retardation that is under the same  
26 ownership with which he or she was employed, under contract, or  
27 granted privileges. If that individual wishes to transfer to

1 another psychiatric facility or intermediate care facility for  
2 people with mental retardation that is not under the same  
3 ownership, he or she may do so provided that a criminal history  
4 check is conducted by the new psychiatric facility or intermediate  
5 care facility for people with mental retardation in accordance with  
6 subsection (4). If an individual who is exempt under this  
7 subdivision is subsequently convicted of a crime described under  
8 subsection (1)(a) through (g) or found to be the subject of a  
9 substantiated finding described under subsection (1)(i) or an order  
10 or disposition described under subsection (1)(h), or is found to  
11 have been convicted of a relevant crime described under subsection  
12 (1)(a), then he or she is no longer exempt and shall be terminated  
13 from employment or denied employment.

14 (b) An individual who is an independent contractor with a  
15 psychiatric facility or intermediate care facility for people with  
16 mental retardation if the services for which he or she is  
17 contracted is not directly related to the provision of services to  
18 a patient or resident or if the services for which he or she is  
19 contracted allows for direct access to the patients or residents  
20 but is not performed on an ongoing basis. This exception includes,  
21 but is not limited to, an individual who independently contracts  
22 with the psychiatric facility or intermediate care facility for  
23 people with mental retardation to provide utility, maintenance,  
24 construction, or communications services.

25 (3) An individual who applies for employment either as an  
26 employee or as an independent contractor or for clinical privileges  
27 with a psychiatric facility or intermediate care facility for

1 people with mental retardation and has received a good faith offer  
2 of employment, an independent contract, or clinical privileges from  
3 the psychiatric facility or intermediate care facility for people  
4 with mental retardation shall give written consent at the time of  
5 application for the department of state police to conduct an  
6 initial criminal history check under this section, along with  
7 identification acceptable to the department of state police.

8 (4) Upon receipt of the written consent and identification  
9 required under subsection (3), a psychiatric facility or  
10 intermediate care facility for people with mental retardation that  
11 has made a good faith offer of employment or an independent  
12 contract or clinical privileges to the applicant shall make a  
13 request to the department of state police to conduct a criminal  
14 history check on the applicant, to input the applicant's  
15 fingerprints into the automated fingerprint identification system  
16 database, and to forward the applicant's fingerprints to the  
17 federal bureau of investigation. The department of state police  
18 shall request the federal bureau of investigation to make a  
19 determination of the existence of any national criminal history  
20 pertaining to the applicant. The applicant shall provide the  
21 department of state police with a set of fingerprints. The request  
22 shall be made in a manner prescribed by the department of state  
23 police. The psychiatric facility or intermediate care facility for  
24 people with mental retardation shall make the written consent and  
25 identification available to the department of state police. The  
26 psychiatric facility or intermediate care facility for people with  
27 mental retardation shall make a request to the relevant licensing



1 or regulatory department to conduct a check of all relevant  
2 registries established ~~pursuant to~~ **UNDER** federal and state law and  
3 regulations for any substantiated findings of abuse, neglect, or  
4 misappropriation of property. If the department of state police or  
5 the federal bureau of investigation charges a fee for conducting  
6 the initial criminal history check, ~~the charge shall be paid by or~~  
7 ~~reimbursed by the department with federal funds as provided to~~  
8 ~~implement a pilot program for national and state background checks~~  
9 ~~on direct patient access employees of long term care facilities or~~  
10 ~~providers in accordance with section 307 of the medicare~~  
11 ~~prescription drug, improvement, and modernization act of 2003,~~  
12 ~~Public Law 108-173~~ **THE PSYCHIATRIC FACILITY OR INTERMEDIATE CARE**  
13 **FACILITY FOR PEOPLE WITH MENTAL RETARDATION SHALL PAY THE COST OF**  
14 **THE CHARGE.** The psychiatric facility or intermediate care facility  
15 for people with mental retardation shall not seek reimbursement for  
16 a charge imposed by the department of state police or the federal  
17 bureau of investigation from the individual who is the subject of  
18 the initial criminal history check. ~~A psychiatric facility or~~  
19 ~~intermediate care facility for people with mental retardation, a~~ **A**  
20 prospective employee ~~,~~ or a prospective independent contractor  
21 covered under this section may not be charged for the cost of an  
22 initial criminal history check required under this section. The  
23 department of state police shall conduct a criminal history check  
24 on the applicant named in the request. The department of state  
25 police shall provide the department with a written report of the  
26 criminal history check conducted under this subsection if the  
27 criminal history check contains any criminal history record

1 information. The report shall contain any criminal history record  
2 information on the applicant maintained by the department of state  
3 police. The department of state police shall provide the results of  
4 the federal bureau of investigation determination to the department  
5 within 30 days after the request is made. If the requesting  
6 psychiatric facility or intermediate care facility for people with  
7 mental retardation is not a state department or agency and if a  
8 criminal conviction is disclosed on the written report of the  
9 criminal history check or the federal bureau of investigation  
10 determination, the department shall notify the psychiatric facility  
11 or intermediate care facility for people with mental retardation  
12 and the applicant in writing of the type of crime disclosed on the  
13 written report of the criminal history check or the federal bureau  
14 of investigation determination without disclosing the details of  
15 the crime. Any charges imposed by the department of state police or  
16 the federal bureau of investigation for conducting an initial  
17 criminal history check or making a determination under this  
18 subsection shall be paid in the manner required under this  
19 subsection. The notice shall include a statement that the applicant  
20 has a right to appeal a decision made by the psychiatric facility  
21 or intermediate care facility for people with mental retardation  
22 regarding his or her employment eligibility based on the criminal  
23 background check. The notice shall also include information  
24 regarding where to file and describing the appellate procedures  
25 established under section 20173b of the public health code, 1978 PA  
26 368, MCL 333.20173b.

27 (5) If a psychiatric facility or intermediate care facility

1 for people with mental retardation determines it necessary to  
2 employ or grant clinical privileges to an applicant before  
3 receiving the results of the applicant's criminal history check  
4 under this section, the psychiatric facility or intermediate care  
5 facility for people with mental retardation may conditionally  
6 employ or grant conditional clinical privileges to the individual  
7 if all of the following apply:

8 (a) The psychiatric facility or intermediate care facility for  
9 people with mental retardation requests the criminal history check  
10 under this section upon conditionally employing or conditionally  
11 granting clinical privileges to the individual.

12 (b) The individual signs a statement in writing that indicates  
13 all of the following:

14 (i) That he or she has not been convicted of 1 or more of the  
15 crimes that are described in subsection (1)(a) through (g) within  
16 the applicable time period prescribed by each subdivision  
17 respectively.

18 (ii) That he or she is not the subject of an order or  
19 disposition described in subsection (1)(h).

20 (iii) That he or she has not been the subject of a substantiated  
21 finding as described in subsection (1)(i).

22 (iv) The individual agrees that, if the information in the  
23 criminal history check conducted under this section does not  
24 confirm the individual's statements under subparagraphs (i) through  
25 (iii), his or her employment or clinical privileges will be  
26 terminated by the psychiatric facility or intermediate care  
27 facility for people with mental retardation as required under

1 subsection (1) unless and until the individual appeals and can  
2 prove that the information is incorrect.

3 (v) That he or she understands the conditions described in  
4 subparagraphs (i) through (iv) that result in the termination of his  
5 or her employment or clinical privileges and that those conditions  
6 are good cause for termination.

7 (6) The department shall develop and distribute a model form  
8 for the statement required under subsection (5)(b). The department  
9 shall make the model form available to psychiatric facilities or  
10 intermediate care facilities for people with mental retardation  
11 subject to this section upon request at no charge.

12 (7) If an individual is employed as a conditional employee or  
13 is granted conditional clinical privileges under subsection (5),  
14 and the report described in subsection (4) does not confirm the  
15 individual's statement under subsection (5)(b)(i) through (iii), the  
16 psychiatric facility or intermediate care facility for people with  
17 mental retardation shall terminate the individual's employment or  
18 clinical privileges as required by subsection (1).

19 (8) An individual who knowingly provides false information  
20 regarding his or her identity, criminal convictions, or  
21 substantiated findings on a statement described in subsection  
22 (5)(b)(i) through (iii) is guilty of a misdemeanor punishable by  
23 imprisonment for not more than 93 days or a fine of not more than  
24 \$500.00, or both.

25 (9) A psychiatric facility or intermediate care facility for  
26 people with mental retardation shall use criminal history record  
27 information obtained under subsection (4) only for the purpose of

1 evaluating an applicant's qualifications for employment, an  
2 independent contract, or clinical privileges in the position for  
3 which he or she has applied and for the purposes of subsections (5)  
4 and (7). A psychiatric facility or intermediate care facility for  
5 people with mental retardation or an employee of the psychiatric  
6 facility or intermediate care facility for people with mental  
7 retardation shall not disclose criminal history record information  
8 obtained under subsection (4) to a person who is not directly  
9 involved in evaluating the applicant's qualifications for  
10 employment, an independent contract, or clinical privileges. An  
11 individual who knowingly uses or disseminates the criminal history  
12 record information obtained under subsection (4) in violation of  
13 this subsection is guilty of a misdemeanor punishable by  
14 imprisonment for not more than 93 days or a fine of not more than  
15 \$1,000.00, or both. Upon written request from another psychiatric  
16 facility or intermediate care facility for people with mental  
17 retardation, health facility or agency, or adult foster care  
18 facility that is considering employing, independently contracting  
19 with, or granting clinical privileges to an individual, a  
20 psychiatric facility or intermediate care facility for people with  
21 mental retardation that has obtained criminal history record  
22 information under this section on that individual shall, with the  
23 consent of the applicant, share the information with the requesting  
24 psychiatric facility or intermediate care facility for people with  
25 mental retardation, health facility or agency, or adult foster care  
26 facility. Except for a knowing or intentional release of false  
27 information, a psychiatric facility or intermediate care facility

1 for people with mental retardation has no liability in connection  
2 with a criminal background check conducted under this section or  
3 the release of criminal history record information under this  
4 subsection.

5 (10) As a condition of continued employment, each employee,  
6 independent contractor, or individual granted clinical privileges  
7 shall do each of the following:

8 (a) Agree in writing to report to the psychiatric facility or  
9 intermediate care facility for people with mental retardation  
10 immediately upon being arraigned for 1 or more of the criminal  
11 offenses listed in subsection (1)(a) through (g), upon being  
12 convicted of 1 or more of the criminal offenses listed in  
13 subsection (1)(a) through (g), upon becoming the subject of an  
14 order or disposition described under subsection (1)(h), and upon  
15 being the subject of a substantiated finding of neglect, abuse, or  
16 misappropriation of property as described in subsection (1)(i).  
17 Reporting of an arraignment under this subdivision is not cause for  
18 termination or denial of employment.

19 (b) If a set of fingerprints is not already on file with the  
20 department of state police, provide the department of state police  
21 with a set of fingerprints.

22 (11) In addition to sanctions set forth in this act, a  
23 licensee, owner, administrator, or operator of a psychiatric  
24 facility or intermediate care facility for people with mental  
25 retardation who knowingly and willfully fails to conduct the  
26 criminal history checks as required under this section is guilty of  
27 a misdemeanor punishable by imprisonment for not more than 1 year

1 or a fine of not more than \$5,000.00, or both.

2 (12) In collaboration with the department of state police, the  
3 department of information technology shall establish an automated  
4 fingerprint identification system database that would allow the  
5 department of state police to store and maintain all fingerprints  
6 submitted under this section and would provide for an automatic  
7 notification if and when a subsequent criminal arrest fingerprint  
8 card submitted into the system matches a set of fingerprints  
9 previously submitted in accordance with this section. Upon such  
10 notification, the department of state police shall immediately  
11 notify the department and the department shall immediately contact  
12 the respective psychiatric facility or intermediate care facility  
13 for people with mental retardation with which that individual is  
14 associated. Information in the database established under this  
15 subsection is confidential, is not subject to disclosure under the  
16 freedom of information act, 1976 PA 442, MCL 15.231 to 15.246, and  
17 shall not be disclosed to any person except for purposes of this  
18 act or for law enforcement purposes.

19 ~~—— (13) Within 1 year after the effective date of the amendatory~~  
20 ~~act that added this section, the department shall submit a written~~  
21 ~~report to the legislature regarding each of the following:~~

22 ~~—— (a) The impact and effectiveness of this amendatory act.~~

23 ~~—— (b) The feasibility of implementing criminal history checks on~~  
24 ~~volunteers who work in those psychiatric facilities or intermediate~~  
25 ~~care facilities for people with mental retardation and on state~~  
26 ~~agency employees who are involved in the licensing of those~~  
27 ~~psychiatric facilities or intermediate care facilities for people~~

1 ~~with mental retardation and regulation of those employees.~~

2 ~~—— (c) The amount of federal funds provided to implement a pilot~~  
3 ~~program for national and state background checks on direct access~~  
4 ~~employees of long term care facilities or providers, the amount of~~  
5 ~~those funds expended to date, and the amount of those funds~~  
6 ~~remaining.~~

7 (13) ~~(14) Within 3 years after the effective date of this~~  
8 ~~section~~ **APRIL 1, 2009**, the department shall submit a written report  
9 to the legislature outlining a plan to cover the costs of the  
10 criminal history checks required under this section if federal  
11 funding is no longer available or is inadequate to cover those  
12 costs.

13 (14) ~~(15) By March 1, 2007, the~~ **THE** department and the  
14 department of state police shall ~~develop and implement~~ **MAINTAIN** an  
15 electronic web-based system to assist those psychiatric facilities  
16 or intermediate care facilities for people with mental retardation  
17 required to check relevant registries and conduct criminal history  
18 checks of its employees and independent contractors and to provide  
19 for an automated notice to those psychiatric facilities or  
20 intermediate care facilities for people with mental retardation for  
21 those individuals inputted in the system who, since the initial  
22 check, have been convicted of a disqualifying offense or have been  
23 the subject of a substantiated finding of abuse, neglect, or  
24 misappropriation of property.

25 (15) ~~(16)~~ As used in this section:

26 (a) "Adult foster care facility" means an adult foster care  
27 facility licensed under the adult foster care facility licensing



1 act, 1979 PA 218, MCL 400.701 to 400.737.

2 (b) "Direct access" means access to a patient or resident or  
3 to a patient's or resident's property, financial information,  
4 medical records, treatment information, or any other identifying  
5 information.

6 (c) "Health facility or agency" means a health facility or  
7 agency that is a nursing home, county medical care facility,  
8 hospice, hospital that provides swing bed services, home for the  
9 aged, or home health agency and licensed as required under article  
10 17 of the public health code, 1978 PA 368, MCL 333.20101 to  
11 333.22260.

12 (d) "Home health agency" means a person certified by medicare  
13 whose business is to provide to individuals in their places of  
14 residence other than in a hospital, nursing home, or county medical  
15 care facility 1 or more of the following services: nursing  
16 services, therapeutic services, social work services, homemaker  
17 services, home health aide services, or other related services.

18 (e) "Independent contract" means a contract entered into by a  
19 health facility or agency with an individual who provides the  
20 contracted services independently or a contract entered into by a  
21 health facility or agency with an organization or agency that  
22 employs or contracts with an individual after complying with the  
23 requirements of this section to provide the contracted services to  
24 the health facility or agency on behalf of the organization or  
25 agency.

26 (f) "Medicare" means benefits under the federal medicare  
27 program established under title XVIII of the social security act,

1 42 USC 1395 to ~~1395ggg~~ **1395HHH**.

2 Enacting section 1. This amendatory act takes effect October  
3 31, 2010.