



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS



Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 286 (as reported without amendment)
Sponsor: Senator Hoon-Yung Hopgood
Committee: Health Policy

CONTENT

The bill would add Part 219 (Nurse Aide Training and Registration Program) to the Public Health Code to do the following:

- Require the Department of Licensing and Regulatory Affairs (LARA) to administer a nurse aide training and registration program.
- Allow LARA to grant registration to an individual as a nurse aide, grant a permit to a person as a nurse aide trainer or nurse aide training program, and grant registration to an individual from another state.
- Prescribe the following biennial fees for an original or renewal registration or permit: nurse aide, \$20; nurse aide trainer, \$40; and nurse aide training program, \$300 per site, or \$100 per site if offered by a secondary education institution or a skilled nursing facility.
- Prescribe a \$125 fee for a nurse aide competency examination.
- Create the "Nurse Aide Registration Fund" and require the State Treasurer to credit the collected fees to the Fund.
- Permit LARA to promulgate and enforce rules to implement Part 219.

Proposed MCL 333.21901-333.21925

Legislative Analyst: Stephen Jackson

FISCAL IMPACT

The bill would have a short-term negative fiscal impact on the Department of Licensing and Regulatory Affairs, an indeterminate fiscal impact on LARA in the long term, and no fiscal impact on local units of government. According to information obtained from LARA, the license fees in the bill would generate revenue of about \$40,000 each year, not including revenue from the nurse aide licenses. This revenue would be used to offset a portion of the cost to regulate nurse aide training programs. The remainder of these costs would be borne by Federal Medicare and Medicaid dollars as well as State General Fund money that LARA has identified as being available for this purpose. The total cost to regulate nurse aide trainers and training programs is estimated to be about \$930,000 annually.

Under current law, nurse aides pay a \$20 registration fee each year for Federal registry, and that revenue is received by the vendor that provides registration services. Under the bill, LARA would have the authority to charge the same fee, but on a biennial rather than annual basis. Depending on whether the current vendor contract were maintained, the revenue would be able to offset about half of LARA's costs related to maintaining the registry, or pay the vendor with those fees. Any remaining costs would be borne by the State General Fund or Federal funds available for that purpose. According to LARA, there are approximately 52,400 nurse aides active in Michigan, so total revenue generated by the registration fees would be about \$525,000 each year.

Date Completed: 4-19-17

Fiscal Analyst: Josh Sefton

floor\sb286

Bill Analysis @ www.senate.michigan.gov/sfa

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.