



SENATE BILL No. 566

May 30, 1995, Introduced by Senators SCHWARZ and SHUGARS
and referred to the Committee on Health Policy and
Senior Citizens.

A bill to amend sections 20106, 20108, and 20109 of Act
No. 368 of the Public Acts of 1978, entitled as amended
"Public health code,"
sections 20106 and 20108 as amended by Act No. 179 of the Public
Acts of 1990 and section 20109 as amended by Act No. 39 of the
Public Acts of 1991, being sections 333.20106, 333.20108, and
333.20109 of the Michigan Compiled Laws; and to add part 204.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 20106, 20108, and 20109 of Act No. 368
2 of the Public Acts of 1978, sections 20106 and 20108 as amended
3 by Act No. 179 of the Public Acts of 1990 and section 20109 as
4 amended by Act No. 39 of the Public Acts of 1991, being
5 sections 333.20106, 333.20108, and 333.20109 of the Michigan
6 Compiled Laws, are amended and part 204 is added to read as
7 follows:

1 Sec. 20106. (1) "Health facility or agency", except as
2 provided in section 20115, means:

3 (a) Ambulance operation, aircraft transport operation, non-
4 transport prehospital life support operation, or medical first
5 response service.

6 (b) Clinical laboratory.

7 (c) County medical care facility.

8 (d) Freestanding surgical outpatient facility.

9 (e) Health maintenance organization.

10 (f) Home for the aged.

11 (g) Hospital.

12 (h) Nursing home.

13 (i) Hospice.

14 (j) RESPITE CARE CENTER.

15 (k) ~~(j)~~ A facility or agency listed in subdivisions (a) to
16 (h) located in a correctional institution or a university, col-
17 lege, or other educational institution.

18 (2) "Health maintenance organization" means a health facil-
19 ity or agency that:

20 (a) Delivers health maintenance services ~~which~~ THAT are
21 medically indicated to enrollees under the terms of its health
22 maintenance contract, directly or through contracts with affili-
23 ated providers, in exchange for a fixed prepaid sum or per capita
24 prepayment, without regard to the frequency, extent, or kind of
25 health services.

26 (b) Is responsible for the availability, accessibility, and
27 quality of the health maintenance services provided.

1 (3) "Home for the aged" means a supervised personal care
2 facility, other than a hotel, adult foster care facility, hospi-
3 tal, nursing home, RESPITE CARE CENTER, or county medical care
4 facility, that provides room, board, and supervised personal care
5 to 21 or more unrelated, nontransient, individuals 60 years of
6 age or older. Home for the aged includes a supervised personal
7 care facility for 20 or fewer individuals 60 years of age or
8 older if the facility is operated in conjunction with and as a
9 distinct part of a licensed nursing home.

10 (4) "Hospice" means a health care program ~~which~~ THAT pro-
11 vides a coordinated set of services rendered at home or in outpa-
12 tient or institutional settings for individuals suffering from a
13 disease or condition with a terminal prognosis.

14 (5) "Hospital" means a facility offering inpatient, over-
15 night care, and services for observation, diagnosis, and active
16 treatment of an individual with a medical, surgical, obstetric,
17 chronic, or rehabilitative condition requiring the daily direc-
18 tion or supervision of a physician. ~~The term~~ HOSPITAL does not
19 include a hospital licensed or operated by the department of
20 mental health.

21 (6) "Hospital long-term care unit" means a nursing care
22 facility, owned and operated by and as part of a hospital, pro-
23 viding organized nursing care and medical treatment to 7 or more
24 unrelated individuals suffering or recovering from illness,
25 injury, or infirmity.

26 Sec. 20108. (1) "Intermediate care facility" means a
27 hospital long-term care unit, nursing home, county medical care

1 facility, or other nursing care facility, or distinct part
2 thereof, certified by the department to provide intermediate care
3 or basic care that is less than skilled nursing care but more
4 than room and board.

5 (2) "License" means an authorization, annual or as otherwise
6 specified, granted by the department and evidenced by a certifi-
7 cate of licensure or permit granting permission to a person to
8 establish or maintain and operate, or both, a health facility or
9 agency. For purposes of part 209, "license" includes a license
10 issued to an individual under that part.

11 (3) "Licensee" means the holder of a license or permit to
12 establish or maintain and operate, or both, a health facility or
13 agency. For purposes of part 209, "licensee" includes an indi-
14 vidual licensed under that part.

15 (4) "Limited license" means a provisional license or tempo-
16 rary permit or a license otherwise limited as prescribed by the
17 department.

18 (5) "Medically contraindicated" means, with reference to
19 nursing homes only, having a substantial adverse effect on the
20 patient's physical health, as determined by the attending physi-
21 cian, which effect is explicitly stated in writing with the rea-
22 sons ~~therefor~~ FOR THE DETERMINATION OF MEDICALLY
23 CONTRAINDICATED in the patient's medical record.

24 (6) "MEDICAL ADULT DAY CARE SERVICES" MEANS REHABILITATIVE
25 SERVICES, PERSONAL CARE, AND 24-HOUR RESPITE CARE FOR UP TO 2
26 WEEKS PROVIDED TO A FUNCTIONALLY IMPAIRED ADULT IN A RESPITE CARE
27 CENTER INCLUDING, BUT NOT LIMITED TO, ALL OF THE FOLLOWING:

1 (A) PHYSICAL THERAPY.

2 (B) OCCUPATIONAL THERAPY.

3 (C) SPEECH-LANGUAGE THERAPY.

4 (D) MEDICAL MONITORING.

5 (E) THERAPEUTIC DIETS.

6 (F) HOLISTIC PHARMACOLOGICAL REVIEW.

7 (G) PHYSICIAN CONSULTATION SERVICES.

8 (7) ~~(6)~~ "Medical first response service" means that term
9 as defined in section 20906.

10 (8) ~~(7)~~ "Nontransport prehospital life support operation"
11 means that term as defined in section 20908.

12 Sec. 20109. (1) "Nursing home" means a nursing care facili-
13 ty, including a county medical care facility, but excluding a
14 hospital or a facility created by Act No. 152 of the Public Acts
15 of 1885, as amended, being sections 36.1 to 36.12 of the Michigan
16 Compiled Laws, that provides organized nursing care and medical
17 treatment to 7 or more unrelated individuals suffering or recov-
18 ering from illness, injury, or infirmity. Nursing home does not
19 include a unit in a correctional facility that is operated by the
20 department of mental health.

21 (2) "Person" means ~~a person~~ THAT TERM as defined in sec-
22 tion 1106 or a governmental entity.

23 (3) "Public member" means a member of the general public who
24 is not a provider; who does not have an ownership interest in or
25 contractual relationship with a nursing home other than a patient
26 contract; who does not have a contractual relationship with a
27 person who does substantial business with a nursing home; and who

1 is not the spouse, parent, sibling, or child of an individual who
2 has an ownership interest in or contractual relationship with a
3 nursing home, other than a patient contract.

4 (4) "RESPITE CARE CENTER" MEANS A FACILITY THAT PROVIDES
5 MEDICAL ADULT DAY CARE SERVICES AND SOCIAL ADULT DAY CARE
6 SERVICES.

7 (5) ~~(4)~~ "Skilled nursing facility" means a hospital
8 long-term care unit, nursing home, county medical care facility,
9 or other nursing care facility, or a distinct part thereof, cer-
10 tified by the department to provide skilled nursing care.

11 (6) "SOCIAL ADULT DAY CARE SERVICES" INCLUDES, BUT IS NOT
12 LIMITED TO, ALL OF THE FOLLOWING SERVICES PROVIDED TO A FUNCTION-
13 ALLY IMPAIRED ADULT IN A RESPITE CARE CENTER:

14 (A) SOCIAL, LEISURE, PHYSICAL, AND EDUCATIONAL ACTIVITIES.

15 (B) ASSISTANCE WITH THE ACTIVITIES OF DAILY LIVING.

16 (C) HEALTH MONITORING.

17 (D) NUTRITION.

18 (E) TRANSPORTATION.

19 (F) EMERGENCY SERVICES.

20 PART 204. RESPITE CARE CENTERS

21 SEC. 20401. ARTICLE 1 CONTAINS GENERAL DEFINITIONS AND
22 PRINCIPLES OF CONSTRUCTION APPLICABLE TO ALL ARTICLES IN THIS
23 CODE AND PART 201 CONTAINS DEFINITIONS APPLICABLE TO THIS PART.

24 SEC. 20403. (1) A RESPITE CARE CENTER SHALL BE LICENSED
25 UNDER THIS ARTICLE.

26 (2) "RESPITE CARE CENTER" OR A SIMILAR TERM OR ABBREVIATION
27 SHALL NOT BE USED TO DESCRIBE OR REFER TO A HEALTH FACILITY OR

1 AGENCY UNLESS IT IS LICENSED BY THE DEPARTMENT UNDER THIS
2 ARTICLE.

3 SEC. 20405. THE OWNER, OPERATOR, AND GOVERNING BODY OF A
4 RESPITE CARE CENTER LICENSED UNDER THIS ARTICLE ARE SUBJECT TO
5 ALL OF THE FOLLOWING:

6 (A) ARE RESPONSIBLE FOR ALL PHASES OF THE OPERATION OF THE
7 RESPITE CARE CENTER, SELECTION OF HEALTH PROFESSIONAL AND OTHER
8 STAFF, AND QUALITY OF CARE RENDERED IN THE RESPITE CARE CENTER.

9 (B) SHALL COOPERATE WITH THE DEPARTMENT IN THE ENFORCEMENT
10 OF THIS ARTICLE AND REQUIRE THAT THE HEALTH PROFESSIONALS AND
11 OTHER PERSONNEL WORKING IN THE RESPITE CARE CENTER FOR WHOM A
12 STATE LICENSE OR REGISTRATION IS REQUIRED BE CURRENTLY LICENSED
13 OR REGISTERED.

14 SEC. 20407. A RESPITE CARE CENTER SHALL COMPLY WITH ALL OF
15 THE FOLLOWING:

16 (A) BE ORGANIZED, ADMINISTERED, STAFFED, AND EQUIPPED TO
17 PROVIDE ON A REGULAR AND SCHEDULED BASIS MEDICAL ADULT DAY CARE
18 SERVICES AND SOCIAL ADULT DAY CARE SERVICES.

19 (B) HAVE THE HEALTH PROFESSIONAL, TECHNICAL, AND SUPPORTIVE
20 PERSONNEL AND THE EQUIPMENT NECESSARY TO ASSURE THE SAFE PER-
21 FORMANCE OF MEDICAL ADULT DAY CARE SERVICES AND RELATED CARE
22 UNDERTAKEN IN THE RESPITE CARE CENTER.

23 (C) HAVE A WRITTEN AGREEMENT WITH A NEARBY LICENSED HOSPITAL
24 TO PROVIDE FOR THE EMERGENCY ADMISSION OF CLIENTS WHO FOR UNPRE-
25 DICTABLE REASONS MAY REQUIRE HOSPITAL ADMISSION AND CARE.

26 (D) ASSURE THAT A CLINICAL RECORD IS ESTABLISHED FOR EACH
27 CLIENT RECEIVING MEDICAL ADULT DAY CARE SERVICES, INCLUDING A

1 HISTORY, PHYSICAL EXAMINATION, JUSTIFICATION FOR TREATMENT
2 PLANNED AND RENDERED, TESTS AND EXAMINATIONS PERFORMED, OBSERVA-
3 TIONS MADE, AND TREATMENT PROVIDED.