

HOUSE BILL No. 4331

March 12, 2003, Introduced by Reps. Spade and Woronchak and referred to the Committee on Senior Health, Security and Retirement.

A bill to amend 1978 PA 368, entitled
"Public health code,"
by amending section 21799c (MCL 333.21799c), as amended by 1996
PA 546.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 21799c. (1) A person who violates 1 of the following
2 sections is guilty of a misdemeanor, punishable by imprisonment
3 for not more than 1 year or a fine of not less than \$1,000.00,
4 nor more than \$10,000.00, or both:

- 5 (a) Section 21711.
- 6 (b) Section 21712.
- 7 (c) Section 21763(5).
- 8 (d) Section 21765a(1) or (2).
- 9 (e) Section 21771(1) or (6).
- 10 (f) Section 21791.

1 (2) A person who violates section 21765a(1) or (2) is liable
2 to an applicant or patient in a civil action for treble the
3 amount of actual damages or \$1,000.00, whichever is greater,
4 together with costs and reasonable attorney fees.

5 (3) For the purpose of computing administrative penalties
6 under this section, the number of patients per day is based on
7 the average number of patients in the nursing home during the 30
8 days immediately preceding the discovery of the violation.

9 (4) If the department finds a violation of section 20201 as
10 to a particular nursing home patient, the department shall issue
11 an order requiring the nursing home to pay to the patient
12 ~~-\$100.00-~~ **\$1,000.00**, or to reimburse the patient for costs
13 incurred or injuries sustained as a result of the violation,
14 whichever is greater. The department also shall assess the
15 nursing home an administrative penalty that is the lesser of the
16 following:

17 (a) Not more than \$1,500.00.

18 (b) \$15.00 per patient bed.

19 (5) The department of community health shall promulgate rules
20 for a quality of care allowance formula that is consistent with
21 the recommendations of the fiscal incentives subcommittee to the
22 committee on nursing home reimbursement established ~~pursuant to~~
23 ~~Act No. 241 of the Public Acts of 1975~~ **in accordance with 1975**
24 **PA 241**, as described in the November 24, 1975 interim report, in
25 the December 3, 1975 final report, and the November 24, 1976
26 report of the committee recommending appropriate changes in the
27 procedures utilized.

1 (6) The department shall not assess an administrative penalty
2 under subsection (4) for a violation of this part for which a
3 nursing home's reimbursement is withheld under subsection (5).