

# HOUSE BILL No. 6076

December 4, 2012, Introduced by Reps. Brunner and Switalski and referred to the Committee on Health Policy.

A bill to amend 1978 PA 368, entitled  
"Public health code,"  
by amending sections 21766 and 21781 (MCL 333.21766 and 333.21781),  
section 21766 as amended by 2001 PA 243.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 21766. (1) A nursing home shall execute a written  
2 contract solely with an applicant or patient or that applicant's or  
3 patient's guardian or legal representative authorized by law to  
4 have access to those portions of the patient's or applicant's  
5 income or assets available to pay for nursing home care, at each of  
6 the following times:

7           (a) At the time an individual is admitted to a nursing home.

8           (b) At the expiration of the term of a previous contract.

9           (c) At the time the source of payment for the patient's care  
10 changes.

11       (2) A nursing home shall not discharge or transfer a patient

1 at the expiration of the term of a contract, except as provided in  
2 section 21773.

3 (3) A nursing home shall specifically notify in writing an  
4 applicant or patient or that applicant's or patient's guardian or  
5 legal representative of the availability or lack of availability of  
6 hospice care in the nursing home. This written notice shall be by  
7 way of a specific paragraph located in the written contract  
8 described in subsection (1) and shall require the applicant or  
9 patient or that applicant's or patient's guardian or legal  
10 representative to sign or initial the paragraph before execution of  
11 the written contract. As used in this subsection, "hospice" means  
12 that term as defined in section 20106(4).

13 (4) A nursing home shall provide a copy of the contract to the  
14 patient, the patient's representative, or the patient's legal  
15 representative or legal guardian at the time the contract is  
16 executed.

17 (5) For a patient supported by funds other than the patient's  
18 own funds, a nursing home shall make a copy of the contract  
19 available to the person providing the funds for the patient's  
20 support.

21 (6) For a patient whose care is reimbursed with public funds  
22 administered by the department of community health, a nursing home  
23 shall maintain a copy of the contract in the patient's file at the  
24 nursing home and upon request shall make a copy of the contract  
25 available to the department of community health.

26 (7) The nursing home shall ensure that the contract is written  
27 in clear and unambiguous language and is printed in not less than

1 12-point type. The form of the contract shall be prescribed by the  
2 department.

3 (8) The contract shall specify all of the following:

4 (a) The term of the contract.

5 (b) The services to be provided under the contract, including  
6 the availability of hospice or other special care, and the charges  
7 for the services.

8 (c) The services that may be provided to supplement the  
9 contract and the charges for the services.

10 (d) The sources liable for payments due under the contract.

11 (e) The amount of deposit paid and the general and foreseeable  
12 terms upon which the deposit will be held and refunded.

13 (f) The rights, duties, and obligations of the patient, except  
14 that the specification of a patient's rights may be furnished on a  
15 separate document that complies with the requirements of section  
16 20201.

17 (9) The nursing home may require a patient's or applicant's  
18 guardian or legal representative who is authorized by law to have  
19 access to those portions of the patient's or applicant's income or  
20 assets available to pay for nursing home care to sign a contract  
21 without incurring personal financial liability other than for funds  
22 received in his or her legal capacity on behalf of the patient.

23 (10) A nursing home employee may request the appointment of a  
24 guardian for an individual applicant or patient only if the nursing  
25 home employee reasonably believes that the individual meets the  
26 legal requirements for the appointment of a guardian.

27 (11) **AT THE TIME A NURSING HOME REPORTS A PROPOSED SALE OF OR**

1 CHANGE IN AN OWNERSHIP OR CONTROL INTEREST TO THE DEPARTMENT UNDER  
2 SECTION 20142, THE NURSING HOME SHALL SPECIFICALLY NOTIFY IN  
3 WRITING ALL PATIENTS AND EACH PATIENT'S GUARDIAN OR LEGAL  
4 REPRESENTATIVE OF THE PROPOSED SALE OF OR CHANGE IN AN OWNERSHIP OR  
5 CONTROL INTEREST. AT THE TIME THE NURSING HOME PROVIDES A COPY OF A  
6 PATIENT CONTRACT UNDER SUBSECTION (4), THE NURSING HOME SHALL ALSO  
7 SPECIFICALLY NOTIFY IN WRITING THE PATIENT OR THE PATIENT'S LEGAL  
8 REPRESENTATIVE OR LEGAL GUARDIAN OF A PROPOSED SALE OF OR CHANGE IN  
9 AN OWNERSHIP OR CONTROL INTEREST, IF ANY. IF A NURSING HOME THAT  
10 REPORTS A PROPOSED SALE OF OR CHANGE IN AN OWNERSHIP OR CONTROL  
11 INTEREST UNDER SECTION 20142 RECEIVES NOTICE OF NONCOMPLIANCE UNDER  
12 THAT SECTION AND THE DEPARTMENT DOES NOT HAVE AN APPROVED PLAN OF  
13 CORRECTION FOR THAT NURSING HOME, THE NURSING HOME SHALL ALSO  
14 INCLUDE IN THE NOTICE TO ALL PATIENTS AND TO EACH PATIENT'S  
15 GUARDIAN OR LEGAL REPRESENTATIVE UNDER THIS SUBSECTION THAT A  
16 LICENSE MAY NOT BE ISSUED TO THE NEW PERSONS WITH AN OWNERSHIP OR  
17 CONTROL INTEREST UNTIL THE ITEMS OF NONCOMPLIANCE HAVE BEEN  
18 CORRECTED.

19 Sec. 21781. A licensee shall conspicuously post in an area of  
20 its offices accessible to patients, employees, and visitors:

21 (a) A current license.

22 (b) A complete copy of the most recent inspection report of  
23 the nursing home received from the department.

24 (c) A description, provided by the department, of complaint  
25 procedures established under this act and the name, address, and  
26 telephone number of a person authorized by the department to  
27 receive complaints.

1 (d) A copy of a notice of a pending hearing or order  
2 pertaining to the nursing home issued by the department or a court  
3 under the authority of this article or rules promulgated under this  
4 article.

5 (e) A complete list of materials available for public  
6 inspection as required by section 21782.

7 (F) THE NAMES AND CONTACT INFORMATION FOR PERSONS WITH AN  
8 OWNERSHIP OR CONTROL INTEREST IN THE NURSING HOME, WHICH PERSONS  
9 WERE DISCLOSED TO THE DEPARTMENT UNDER SECTION 20142.

10 (G) THE NAMES AND CONTACT INFORMATION FOR THE NURSING HOME  
11 ADMINISTRATOR, THE NURSING DIRECTOR, AND ALL OTHER INDIVIDUALS WHO  
12 EXERCISE OPERATIONAL OR MANAGERIAL CONTROL AND HAVE DECISION-MAKING  
13 AUTHORIZATION OVER THE NURSING HOME.

14 (H) ON OR BEFORE THE EXPIRATION OF 10 DAYS AFTER A PROPOSED  
15 SALE OF OR CHANGE IN OWNERSHIP OR CONTROL IS REPORTED TO THE  
16 DEPARTMENT UNDER SECTION 20142, A COPY OF THE REPORT OF THAT  
17 PROPOSED CHANGE.

18 Enacting section 1. This amendatory act does not take effect  
19 unless Senate Bill No. \_\_\_\_\_ or House Bill No. 6075(request no.  
20 06485'12) of the 96th Legislature is enacted into law.