

# HOUSE BILL No. 5903

June 21, 1990, Introduced by Reps. Gubow, Bandstra, Fitzgerald, Stupak, Law, Saunders, Niederstadt, Berman, Scott and Leland and referred to the Committee on Public Health.

A bill to amend sections 7311, 7314, 7315, 7316, 7502, 7515, 16211, 16215, 16221, 16224, 16226, 16227, 16231, 16232, 16233, 16234, 16235, 16236, 16241, 16243, 16244, 16245, 16247, 16248, 16249, 16261, 16291, 16294, 16648, 17011, 17050, 17086, 17088, 17550, 17763, 17767, 17768, 18117, 18237, 18835, 20175, and 21513 of Act No. 368 of the Public Acts of 1978, entitled as amended "Public health code,"

section 7311 as amended and sections 7315 and 7316 as added by Act No. 30 of the Public Acts of 1988, sections 7314, 16211, 16231, 16233, 16243, 16244, and 20175 as amended by Act No. 174 of the Public Acts of 1986, section 7502 as amended by Act No. 251 of the Public Acts of 1982, sections 16221 and 16226 as amended by Act No. 15 of the Public Acts of 1989, section 16245 as amended by Act No. 462 of the Public Acts of 1988, section 16648 as added by Act No. 89 of the Public Acts of 1983,

section 17011 as amended by Act No. 2 of the Public Acts of 1980, section 17088 as amended by Act No. 462 of the Public Acts of 1988, section 17768 as amended by Act No. 250 of the Public Acts of 1987, section 18117 as added by Act No. 421 of the Public Acts of 1988, and section 21513 as amended by Act No. 27 of the Public Acts of 1989, being sections 333.7311, 333.7314, 333.7315, 333.7316, 333.7502, 333.7515, 333.16211, 333.16215, 333.16221, 333.16224, 333.16226, 333.16227, 333.16231, 333.16232, 333.16233, 333.16234, 333.16235, 333.16236, 333.16241, 333.16243, 333.16244, 333.16245, 333.16247, 333.16248, 333.16249, 333.16261, 333.16291, 333.16294, 333.16648, 333.17011, 333.17050, 333.17086, 333.17088, 333.17550, 333.17763, 333.17767, 333.17768, 333.18117, 333.18237, 333.18835, 333.20175, and 333.21513 of the Michigan Compiled Laws; and to add sections 16216, 16222, 16231a, 16237, 16238, 16239, 20176a, and 20194.

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

1       Section 1. Sections 7311, 7314, 7315, 7316, 7502, 7515,  
2 16211, 16215, 16221, 16224, 16226, 16227, 16231, 16232, 16233,  
3 16234, 16235, 16236, 16241, 16243, 16244, 16245, 16247, 16248,  
4 16249, 16261, 16291, 16294, 16648, 17011, 17050, 17086, 17088,  
5 17550, 17763, 17767, 17768, 18117, 18237, 18835, 20175, and 21513  
6 of Act No. 368 of the Public Acts of 1978, section 7311 as  
7 amended and sections 7315 and 7316 as added by Act No. 30 of the  
8 Public Acts of 1988, sections 7314, 16211, 16231, 16233, 16243,  
9 16244, and 20175 as amended by Act No. 174 of the Public Acts of  
10 1986, section 7502 as amended by Act No. 251 of the Public Acts  
11 of 1982, sections 16221 and 16226 as amended by Act No. 15 of the

1 Public Acts of 1989, section 16245 as amended by Act No. 462 of  
 2 the Public Acts of 1988, section 16648 as added by Act No. 89 of  
 3 the Public Acts of 1983, section 17011 as amended by Act No. 2 of  
 4 the Public Acts of 1980, section 17088 as amended by Act No. 462  
 5 of the Public Acts of 1988, section 17768 as amended by Act  
 6 No. 250 of the Public Acts of 1987, section 18117 as added by Act  
 7 No. 421 of the Public Acts of 1988, and section 21513 as amended  
 8 by Act No. 27 of the Public Acts of 1989, being sections  
 9 333.7311, 333.7314, 333.7315, 333.7316, 333.7502, 333.7515,  
 10 333.16211, 333.16215, 333.16221, 333.16224, 333.16226, 333.16227,  
 11 333.16231, 333.16232, 333.16233, 333.16234, 333.16235, 333.16236,  
 12 333.16241, 333.16243, 333.16244, 333.16245, 333.16247, 333.16248,  
 13 333.16249, 333.16261, 333.16291, 333.16294, 333.16648, 333.17011,  
 14 333.17050, 333.17086, 333.17088, 333.17550, 333.17763, 333.17767,  
 15 333.17768, 333.18117, 333.18237, 333.18835, 333.20175, and  
 16 333.21513 of the Michigan Compiled Laws, are amended and sections  
 17 16216, 16222, 16231a, 16237, 16238, 16239, 20176a, and 20194 are  
 18 added to read as follows:

19       Sec. 7311. (1) A license under section 7306 to manufacture,  
 20 distribute, prescribe, or dispense a controlled substance may be  
 21 denied ~~—~~ BY THE ADMINISTRATOR OR suspended ~~—~~ or revoked by  
 22 the ~~administrator~~ DISCIPLINARY BOARD upon a finding that an  
 23 applicant for licensure or a licensee is subject to any of the  
 24 following:

25       (a) The applicant or licensee has furnished false or fraudu-  
 26 lent material information in an application filed under this  
 27 article.

1 (b) The applicant's or licensee's federal registration to  
2 manufacture, distribute, or dispense controlled substances has  
3 been surrendered, suspended, or revoked.

4 (c) The applicant or licensee has promoted a controlled sub-  
5 stance to the general public.

6 (d) The applicant or licensee is not a practitioner, manu-  
7 facturer, or distributor.

8 (e) The applicant or licensee has not maintained effective  
9 controls against diversion of controlled substances to other than  
10 legitimate and professionally recognized therapeutic, scientific,  
11 or industrial uses.

12 (f) The applicant or licensee is not in compliance with  
13 applicable federal, state, and local laws.

14 (g) The applicant or licensee has manufactured, distributed,  
15 or dispensed a controlled substance for other than legitimate or  
16 professionally recognized therapeutic, scientific, or industrial  
17 purposes or outside the scope of practice of the  
18 practitioner-licensee or applicant.

19 (h) The applicant or licensee has violated or attempted to  
20 violate, directly or indirectly, assisted in or abetted the vio-  
21 lation of, or conspired to violate this article or rules of the  
22 administrator promulgated under this article.

23 (2) The ~~administrator may limit~~ DISCIPLINARY BOARD MAY  
24 RESTRICT revocation or suspension of a license under subsection  
25 (1) to the particular controlled substance as to which grounds  
26 for revocation or suspension exist.

1 (3) A license under section 7306 to manufacture, distribute,  
2 prescribe, or dispense a controlled substance shall be denied BY  
3 THE ADMINISTRATOR or revoked by the ~~administrator~~ DISCIPLINARY  
4 BOARD if the applicant or licensee has been convicted of a felony  
5 under a state or federal law relating to a controlled substance.

6 (4) If the ~~administrator~~ DISCIPLINARY BOARD suspends or  
7 revokes a license, all controlled substances owned or possessed  
8 by the licensee at the time of suspension or the effective date  
9 of the revocation order may be placed under seal or seized at the  
10 discretion of the ~~administrator~~ DISCIPLINARY BOARD. ~~A dispo-~~  
11 ~~sition may not be made~~ THE DISCIPLINARY BOARD SHALL NOT DISPOSE  
12 of substances under seal or seizure until the time for taking an  
13 appeal has elapsed or until all appeals have been concluded,  
14 unless a court, upon application therefor, orders the sale of  
15 perishable substances and the deposit of the proceeds of the sale  
16 with the court. Upon a revocation order becoming final, all con-  
17 trolled substances may be forfeited to this state.

18 (5) The ~~administrator~~ DISCIPLINARY BOARD shall promptly  
19 notify the bureau of all orders suspending or revoking a license  
20 and all forfeitures of controlled substances.

21 (6) ~~A~~ THE DISCIPLINARY BOARD SHALL SUSPEND OR REVOKE A  
22 license under section 7306 to manufacture, distribute, prescribe,  
23 or dispense a controlled substance ~~shall be suspended or revoked~~  
24 ~~by the administrator upon receipt of notice from the appropriate~~  
25 ~~licensing board that a~~ IF THE DISCIPLINARY BOARD SUSPENDS OR  
26 REVOKES THE licensee's license to practice ~~a health care~~  
27 ~~profession~~ under article 15. ~~has been suspended or revoked.~~

1       (7) Subject to subsection (8), if the administrator OR THE  
2 DISCIPLINARY BOARD finds that an applicant or licensee has been  
3 convicted of a misdemeanor or a felony under a state or federal  
4 law relating to a controlled substance, the applicant or licensee  
5 shall not have a direct financial interest in, or be employed in  
6 a capacity in which the individual has direct access to con-  
7 trolled substances by, a person who is licensed under this arti-  
8 cle to manufacture, distribute, prescribe, or dispense a con-  
9 trolled substance for a period of not less than 3 years after the  
10 date of conviction. An individual who violates this subsection  
11 may be punished by a civil fine of not more than \$25,000.00 in a  
12 proceeding in the circuit court.

13       (8) Subsection (7) applies only to a conviction for a misde-  
14 meanor ~~which~~ THAT is directly related to the manufacture,  
15 delivery, possession, possession with intent to manufacture or  
16 deliver, use, distribution, prescription, or dispensing of a con-  
17 trolled substance. Subsection (7) does not apply to a conviction  
18 for a misdemeanor based upon an unintentional error or omission  
19 involving a clerical or record-keeping function.

20       Sec. 7314. (1) Except as provided in subsection (3), before  
21 ~~denying, suspending, or revoking~~ THE DISCIPLINARY BOARD SUS-  
22 PENDS OR REVOKES a license, ~~or denying~~ AND BEFORE THE ADMINIS-  
23 TRATOR DENIES A LICENSE OR a renewal of a license, the  
24 DISCIPLINARY BOARD OR THE administrator shall serve on the appli-  
25 cant or licensee an order to show cause why the application or  
26 license should not be denied, revoked, or suspended, or why the  
27 renewal should not be denied. The order to show cause shall

1 contain a statement of the basis ~~therefor~~ FOR THE ORDER and  
2 shall call upon the applicant or licensee to appear before the  
3 DISCIPLINARY BOARD OR THE administrator at a time and place not  
4 less than 30 days after the date of service of the order. A show  
5 cause order for a denial of renewal of a license shall be served  
6 not later than 30 days before expiration of the license. These  
7 proceedings shall be conducted ~~in accordance with the adminis-~~  
8 ~~trative procedures act of 1969~~ without regard to any criminal  
9 prosecution or other proceeding. A proceeding to deny renewal of  
10 a license shall not abate the existing license, which shall  
11 remain in effect pending the outcome of the administrative  
12 hearing.

13 (2) The ~~administrator~~ DISCIPLINARY BOARD may suspend,  
14 without an order to show cause, a license simultaneously with the  
15 institution of proceedings under section 7311 or where renewal of  
16 licensure is refused BY THE ADMINISTRATOR, if the ~~administrator~~  
17 DISCIPLINARY BOARD finds that there is an imminent danger to the  
18 public health or safety ~~which~~ THAT warrants this action. The  
19 suspension shall continue in effect until conclusion of the pro-  
20 ceedings, including judicial review, unless sooner withdrawn by  
21 the ~~administrator~~ DISCIPLINARY BOARD or dissolved by a court of  
22 competent jurisdiction.

23 (3) Subsection (1) ~~shall~~ DOES not apply to the suspension  
24 or revocation of a license by the ~~administrator~~ DISCIPLINARY  
25 BOARD pursuant to section ~~7311(5)~~ 7311(6).

26 Sec. 7315. (1) An individual whose license is ~~limited~~  
27 RESTRICTED, suspended, or revoked under this part may apply to

1 the ~~board~~ ADMINISTRATOR for a reinstatement of a revoked or  
2 suspended license or TO THE DISCIPLINARY BOARD FOR removal of a  
3 ~~limited revocation~~ RESTRICTION or suspension as to a particular  
4 controlled substance. ~~pursuant to section 7316.~~

5 (2) In case of a revoked license, THE ADMINISTRATOR SHALL  
6 NOT ACCEPT an application for reinstatement ~~shall not be~~  
7 ~~accepted~~ before the expiration of 3 years after the date of  
8 revocation. IF AN INDIVIDUAL'S LICENSE WAS REVOKED BECAUSE HIS  
9 OR HER LICENSE TO PRACTICE WAS REVOKED AS PROVIDED IN  
10 SECTION 7311(6), THE ADMINISTRATOR SHALL NOT ACCEPT AN APPLICA-  
11 TION FOR REINSTATEMENT UNTIL THE INDIVIDUAL IS ELIGIBLE TO APPLY  
12 FOR REINSTATEMENT OF HIS OR HER LICENSE TO PRACTICE.

13 (3) ~~An~~ THE ADMINISTRATOR SHALL PROVIDE AN opportunity for  
14 a hearing ~~shall be provided~~ before final rejection of an appli-  
15 cation for reinstatement.

16 Sec. 7316. The administrator may reinstate a revoked or  
17 suspended license to an individual whose license has been sus-  
18 pended or revoked under this article ~~or remove a limited revoca-~~  
19 ~~tion or suspension as to a particular controlled substance~~ if,  
20 after a hearing, the administrator is satisfied that the appli-  
21 cant is of good moral character, HAS MET THE CRITERIA IN THE  
22 RULES PROMULGATED UNDER SECTION 16245(6), and should be permitted  
23 in the public interest to have his or her license reinstated.  
24 ~~or the limited revocation or suspension removed.~~ As a condition  
25 of reinstatement, THE DISCIPLINARY BOARD, UPON THE RECOMMENDATION  
26 OF the administrator, may impose a disciplinary or corrective  
27 measure authorized under this article. In determining the public



1 interest, the administrator shall consider the factors set forth  
2 in section 7306(1)(a) to (g).

3 Sec. 7502. (1) An inspection or investigatory agent of the  
4 ~~administrator or of the~~ department of licensing and regulation  
5 may do any of the following:

6 (a) Execute and serve search warrants, arrest warrants,  
7 administrative inspection warrants, subpoenas, and summonses  
8 issued under the authority of this state.

9 (b) Seize property pursuant to this article.

10 (c) Perform other law enforcement duties the administrator  
11 or the department of licensing and regulation designates.

12 (2) An agent of the department of treasury designated by the  
13 commissioner of revenue may exercise the powers specified in sub-  
14 section (1) with regard to the seizure of property under section  
15 7521(e) and (f) after notification of the department of state  
16 police or any other local law enforcement agency having  
17 jurisdiction.

18 Sec. 7515. (1) The administrator may cooperate with federal  
19 and other state agencies in discharging its responsibilities as  
20 to traffic in controlled substances and in suppressing the abuse  
21 of controlled substances. To this end, the administrator may:

22 (a) Arrange for the exchange of information among governmen-  
23 tal officials as to the use and abuse of controlled substances.

24 (b) Coordinate and cooperate in training programs as to con-  
25 trolled substance law enforcement at local and state levels.

26 (c) Cooperate with the bureau by establishing a centralized  
27 unit to accept, catalogue, file, and collect statistics,

1 including records of drug dependent individuals and other  
2 controlled substance law offenders in this state, and make the  
3 information available for federal, state, and local law enforce-  
4 ment purposes. The administrator shall not furnish the name or  
5 identity of a patient or research subject whose identity could  
6 not be obtained under section 7516.

7 (d) Conduct programs of eradication aimed at destroying wild  
8 or illicit growth of plant species from which controlled sub-  
9 stances may be extracted.

10 (2) Results, information, and evidence received from the  
11 bureau relating to the regulatory functions of this article,  
12 including results of inspections conducted by it, may be relied  
13 and acted upon by the administrator AND THE DISCIPLINARY BOARD in  
14 the exercise of ~~its~~ THEIR regulatory functions under this  
15 article.

16 Sec. 16211. (1) The department shall create and maintain a  
17 permanent historical record for each licensee with respect to  
18 information and data transmitted pursuant to law.

19 (2) The individual historical record shall include a written  
20 allegation against the licensee ~~which~~ THAT is substantiated  
21 after investigation.

22 (3) The individual historical record may include other items  
23 concerning a licensee's record of practice the appropriate  
24 LICENSURE board OR THE DISCIPLINARY BOARD determines will facili-  
25 tate proper and periodic review, but only those items as desig-  
26 nated by rules of the LICENSURE board OR THE DISCIPLINARY BOARD.

1 (4) The ~~board or its representative~~ DEPARTMENT shall  
2 promptly review the entire file of a licensee, including all  
3 prior matters with respect to which no action was taken at the  
4 time, with respect to whom there is received 1 OR MORE OF THE  
5 FOLLOWING:

6 (a) A notice of revocation, suspension, or limitation of  
7 staff privileges by a licensed hospital.

8 (b) A written allegation ~~which is substantiated after~~  
9 ~~investigation~~ OF A VIOLATION OF THIS ARTICLE OR A RULE PROMUL-  
10 GATED UNDER THIS ARTICLE.

11 (c) A notice of disciplinary action by a health professional  
12 society.

13 (d) ~~An~~ A REPORT OF AN adverse malpractice settlement,  
14 award, or judgment RECEIVED UNDER SECTION 16231(3).

15 (e) Written notice of a conviction of a felony, A MISDE-  
16 MEANOR PUNISHABLE BY IMPRISONMENT FOR NOT MORE THAN 2 YEARS, OR A  
17 MISDEMEANOR INVOLVING THE ILLEGAL DELIVERY, POSSESSION, OR USE OF  
18 ALCOHOL OR A CONTROLLED SUBSTANCE.

19 (F) NOTICE THAT A LICENSEE OR REGISTRANT IS INELIGIBLE TO  
20 PARTICIPATE AS A PROVIDER IN A FEDERALLY FUNDED HEALTH INSURANCE  
21 OR HEALTH BENEFITS PROGRAM BASED UPON THE LICENSEE'S OR  
22 REGISTRANT'S FAILURE TO MEET THE PROGRAM'S STANDARDS OF PROFES-  
23 SIONAL PRACTICE. A CERTIFIED COPY OF THE ACTION OR FINAL ORDER  
24 MAKING THE LICENSEE OR REGISTRANT INELIGIBLE IS SUFFICIENT NOTICE  
25 FOR PURPOSES OF THIS SUBDIVISION.

26 (5) The department shall retain written allegations ~~against~~  
27 ~~a licensee which~~ THAT are unsubstantiated for 2 years, after

1 which they may be removed from the registry, if approved by the  
2 ~~appropriate~~ DISCIPLINARY board.

3 (6) Except as provided in section 16231(5), a licensee or  
4 applicant may review his or her individual historical record.

5 Sec. 16215. (1) A licensee who holds a license other than a  
6 health profession subfield license may delegate to a licensed or  
7 unlicensed individual who is otherwise qualified by education,  
8 training, or experience the performance of selected acts, tasks,  
9 or functions where the acts, tasks, or functions fall within the  
10 scope of practice of the licensee's profession and will be per-  
11 formed under the licensee's supervision. An act, task, or func-  
12 tion shall not be delegated under this section ~~which~~ THAT,  
13 under standards of acceptable and prevailing practice, requires  
14 the level of education, skill, and judgment required of a  
15 licensee under this article.

16 (2) A LICENSURE board may promulgate rules to further pro-  
17 hibit or otherwise restrict delegation of specific acts, tasks,  
18 or functions to a licensed or unlicensed individual where the  
19 board determines that the delegation constitutes or may consti-  
20 tute a danger to the health, safety, or welfare of the patient or  
21 public.

22 (3) To promote safe and competent practice, a LICENSURE  
23 board may promulgate rules to specify conditions under which, and  
24 categories and types of licensed and unlicensed individuals for  
25 whom, closer supervision may be required.

26 (4) An individual who performs acts, tasks, or functions  
27 delegated pursuant to this section does not violate the part

1 ~~which~~ THAT regulates the scope of practice of that health  
2 profession.

3 SEC. 16216. (1) THE HEALTH PROFESSIONALS DISCIPLINARY BOARD  
4 IS CREATED IN THE DEPARTMENT. THE DISCIPLINARY BOARD SHALL CON-  
5 SIST OF 7 MEMBERS, 5 OF WHOM SHALL SERVE ON A PERMANENT BASIS AND  
6 2 OF WHOM SHALL SERVE ON A TEMPORARY, ROTATING BASIS. THE 5 PER-  
7 MANENT MEMBERS SHALL BE PUBLIC MEMBERS APPOINTED BY THE GOVERNOR  
8 WITH THE ADVICE AND CONSENT OF THE SENATE. NOT MORE THAN 3 OF  
9 THE PERMANENT MEMBERS SHALL BE MEMBERS OF THE SAME POLITICAL  
10 PARTY. THE 2 MEMBERS SERVING ON A TEMPORARY, ROTATING BASIS  
11 SHALL BE LICENSEE OR REGISTRANT MEMBERS OF THE LICENSURE OR REG-  
12 ISTRATION BOARD FOR THE HEALTH PROFESSION OF THE INDIVIDUAL WHO  
13 IS THE SUBJECT OF A DISCIPLINARY ACTION UNDER THIS ARTICLE. THE  
14 TEMPORARY MEMBERS OF THE DISCIPLINARY BOARD SHALL BE APPOINTED BY  
15 THE DIRECTOR AND SHALL IF ABLE SERVE UNTIL ALL PROCEEDINGS PER-  
16 TAINING TO A PARTICULAR DISCIPLINARY ACTION UNDER THIS ARTICLE  
17 ARE COMPLETED. A VACANCY ON THE DISCIPLINARY BOARD CREATED BY A  
18 LOSS OF A TEMPORARY MEMBER MAY BE FILLED BY THE DIRECTOR IN THE  
19 SAME MANNER AS THE ORIGINAL APPOINTMENT.

20 (2) THE CHAIRPERSON OF THE DISCIPLINARY BOARD SHALL BE  
21 APPOINTED BY THE GOVERNOR.

22 Sec. 16221. ~~The department may investigate activities~~  
23 ~~related to the practice of a health profession by a licensee, a~~  
24 ~~registrant, or an applicant for licensure or registration. The~~  
25 ~~department may hold hearings, administer oaths, and order rele-~~  
26 ~~vant testimony to be taken and shall report its findings to the~~  
27 ~~appropriate board. or appropriate task force.~~ The DISCIPLINARY

1 board shall proceed under section 16226 if ~~the board~~ IT finds  
2 that any of the following grounds exist:

3 (a) A violation of general duty, consisting of negligence or  
4 failure to exercise due care, including negligent delegation to  
5 or supervision of employees or other individuals, whether or not  
6 injury results, or any conduct, practice, or condition which  
7 impairs, or may impair, the ability to safely and skillfully  
8 practice the health profession.

9 (b) Personal disqualifications, consisting of any of the  
10 following:

11 (i) Incompetence.

12 (ii) Substance abuse as defined in section 6107.

13 (iii) Mental or physical inability reasonably related to and  
14 adversely affecting the licensee's ability to practice in a safe  
15 and competent manner.

16 (iv) Declaration of mental incompetence by a court of compe-  
17 tent jurisdiction.

18 (v) Conviction of a misdemeanor PUNISHABLE BY IMPRISONMENT  
19 FOR NOT MORE THAN 2 YEARS, A MISDEMEANOR INVOLVING THE ILLEGAL  
20 DELIVERY, POSSESSION, OR USE OF ALCOHOL OR A CONTROLLED  
21 SUBSTANCE, or A felony. ~~reasonably related to and adversely~~  
22 ~~affecting the licensee's ability to practice in a safe and compe-~~  
23 ~~tent manner.~~ A certified copy of the court record ~~shall be~~ IS  
24 conclusive evidence of the conviction.

25 (vi) Lack of good moral character.

26 (vii) Conviction of a criminal offense under sections 520a  
27 to 520l of the Michigan penal code, Act No. 328 of the Public

1 Acts of 1931, being sections 750.520a to 750.520l of the Michigan  
2 Compiled Laws. A certified copy of the court record ~~shall be~~  
3 IS conclusive evidence of the conviction.

4 (viii) Conviction of a violation of section 492a of the  
5 Michigan penal code, Act No. 328 of the Public Acts of 1931,  
6 being section 750.492a of the Michigan Compiled Laws. A certi-  
7 fied copy of the court record ~~shall be~~ IS conclusive evidence  
8 of the conviction.

9 (ix) Conviction of a misdemeanor or felony involving fraud  
10 in obtaining or attempting to obtain fees related to the practice  
11 of a health profession. A certified copy of the court record  
12 ~~shall be~~ IS conclusive evidence of the conviction.

13 (x) INELIGIBILITY TO PARTICIPATE AS A PROVIDER IN A FEDER-  
14 ALLY FUNDED HEALTH INSURANCE OR HEALTH BENEFITS PROGRAM BASED  
15 UPON THE LICENSEE'S OR REGISTRANT'S FAILURE TO MEET THE PROGRAM'S  
16 STANDARDS OF PROFESSIONAL PRACTICE. A CERTIFIED COPY OF THE  
17 HEARING RECORD OR OF THE FINAL ORDER MAKING THE LICENSEE OR REG-  
18 ISTRANT INELIGIBLE IS CONCLUSIVE EVIDENCE OF THE INELIGIBILITY.

19 (c) Prohibited acts, consisting of any of the following:

20 (i) Fraud or deceit in obtaining or renewing a license.

21 (ii) Permitting the license to be used by an unauthorized  
22 person.

23 (iii) Practice outside the scope of a license.

24 (iv) Obtaining, possessing, or attempting to obtain or pos-  
25 sess a controlled substance as defined in section 7104 or a drug  
26 as defined in section 7105 without lawful authority; or selling,

1 prescribing, giving away, or administering drugs for other than  
2 lawful diagnostic or therapeutic purposes.

3 (d) Unethical business practices, consisting of any of the  
4 following:

5 (i) False or misleading advertising.

6 (ii) Dividing fees for referral of patients or accepting  
7 kickbacks on medical or surgical services, appliances, or medica-  
8 tions purchased by or in behalf of patients.

9 (iii) Fraud or deceit in obtaining or attempting to obtain  
10 third party reimbursement.

11 (e) Unprofessional conduct, consisting of any of the  
12 following:

13 (i) Misrepresentation to a consumer or patient or in obtain-  
14 ing or attempting to obtain third party reimbursement in the  
15 course of professional practice.

16 (ii) Betrayal of a professional confidence.

17 (iii) Promotion for personal gain of an unnecessary drug,  
18 device, treatment, procedure, or service.

19 (iv) Directing or requiring an individual to purchase or  
20 secure a drug, device, treatment, procedure, or service from  
21 another person, place, facility, or business in which the  
22 licensee has a financial interest.

23 (f) Failure to report a change of name or address within 30  
24 days after the change occurs.

25 (g) A violation, or aiding or abetting in a violation, of  
26 this article or of rules promulgated under this article.



1 (h) Failure to comply with a subpoena issued pursuant to  
2 this part OR FAILURE TO APPEAR AT A SETTLEMENT CONFERENCE OR A  
3 HEARING BEFORE A REGIONAL DISCIPLINARY PANEL OR THE DISCIPLINARY  
4 BOARD.

5 (i) Failure to pay an installment of an assessment levied  
6 pursuant to section 2504 of the insurance code of 1956, Act  
7 No. 218 of the Public Acts of 1956, as amended, being section  
8 500.2504 of the Michigan Compiled Laws, within 60 days after  
9 notice by the appropriate board.

10 (j) A violation of section 17013 or 17513.

11 SEC. 16222. (1) A LICENSEE OR REGISTRANT HAVING REASONABLE  
12 CAUSE TO BELIEVE THAT ANOTHER LICENSEE OR REGISTRANT MAY HAVE  
13 ENGAGED IN CONDUCT THAT IS GROUNDS FOR DISCIPLINE UNDER  
14 SECTION 16221 OR A VIOLATION OF THIS ARTICLE OR ARTICLE 7 OR A  
15 RULE PROMULGATED UNDER THIS ARTICLE OR ARTICLE 7 SHALL REPORT THE  
16 CONDUCT AND THE NAME OF THE SUBJECT OF THE REPORT TO THE  
17 DEPARTMENT.

18 (2) UNLESS THE LICENSEE OR REGISTRANT MAKING THE REPORT OTH-  
19 ERWISE AGREES IN WRITING, THE IDENTITY OF THE LICENSEE OR REGIS-  
20 TRANT MAKING THE REPORT SHALL REMAIN CONFIDENTIAL UNLESS DISCI-  
21 PLINARY PROCEEDINGS UNDER THIS PART ARE INITIATED AGAINST THE  
22 SUBJECT OF THE REPORT AND THE LICENSEE OR REGISTRANT MAKING THE  
23 REPORT IS REQUIRED TO TESTIFY IN THE PROCEEDINGS.

24 Sec. 16224. (1) Failure or refusal to submit to an examina-  
25 tion ~~which~~ THAT a LICENSURE OR REGISTRATION board, THE DISCI-  
26 PLINARY BOARD, OR A REGIONAL DISCIPLINARY PANEL is authorized to  
27 require under this part after reasonable notice and opportunity

1 ~~—~~ FOR A HEARING constitutes a ground for suspension of a  
2 license OR REGISTRATION until the examination is taken.

3 (2) Additional grounds for disciplinary action may be found  
4 in a part dealing with a specific health profession.

5 Sec. 16226. (1) After finding the existence of 1 or more of  
6 the grounds for DISCIPLINARY board action listed in section  
7 16221, ~~—a~~ THE DISCIPLINARY board shall impose 1 or more of the  
8 following sanctions for each violation:

9 <u>Violations of Section 16221</u>	<u>Sanctions</u>
10 Subdivision (a),	Probation, <del>—limitation—</del>
11	RESTRICTION, denial,
12 (b)(ii),	suspension, revocation,
13 (b)(iv),	restitution, COMMUNITY SERVICE,
14	or fine.
15 (b)(vi), or	
16 (b)(vii)	
17 Subdivision (b)(viii)	Revocation.
18 Subdivision (b)(i),	<del>—Limitation—</del> RESTRICTION, suspen-
19	sion,
20 (b)(iii),	revocation, denial,
21 (b)(v), <del>—or—</del> (b)(ix)	
22 OR (B)(x)	probation, restitution,
23	COMMUNITY SERVICE, or fine.
24 Subdivision (c)(i)	Denial, revocation, suspension,
25	probation, <del>—limitation—</del>

1 RESTRICTION, COMMUNITY SERVICE,  
2 or fine.  
3 Subdivision (c)(ii) Denial, suspension, revocation,  
4 restitution, COMMUNITY SERVICE,  
5 or fine.  
6 Subdivision (c)(iii) Probation, denial, suspension,  
7 revocation, restitution,  
8 COMMUNITY SERVICE, or fine.  
9 Subdivision (c)(iv) Fine, probation, denial,  
10 or (d)(iii) suspension, revocation,  
11 COMMUNITY SERVICE,  
12 or restitution.  
13 Subdivision (d)(i) Reprimand, fine, probation,  
14 COMMUNITY SERVICE,  
15 or (d)(ii) or restitution.  
16 Subdivision (e)(i) Reprimand, fine, probation,  
17 ~~limitation~~ RESTRICTION, sus-  
18 pension, COMMUNITY SERVICE, or  
19 restitution.  
20 Subdivision (e)(ii) Reprimand, probation,  
21 or (h) suspension, restitution,  
22 COMMUNITY SERVICE, or fine.  
23 Subdivision (e)(iii) Reprimand, fine, probation,  
24 or (e)(iv) suspension, revocation,  
25 ~~limitation~~ RESTRICTION,  
26 COMMUNITY SERVICE, or  
27 restitution.

1 Subdivision (f) Reprimand or fine.  
 2 Subdivision (g) Reprimand, probation, denial,  
 3 suspension, revocation,  
 4 ~~limitation~~ RESTRICTION, res-  
 5 titution, COMMUNITY SERVICE, or  
 6 fine.

7 Subdivision (i) Suspension or fine.

8 Subdivision (j) Reprimand or fine.

9 (2) Determination of sanctions for violations under section  
 10 16226 shall be made by ~~a~~ THE DISCIPLINARY board. If, during  
 11 judicial review, ~~a~~ THE court ~~holds~~ OF APPEALS DETERMINES that  
 12 a ~~sanction is unlawful under~~ FINAL DECISION OR ORDER OF THE  
 13 DISCIPLINARY BOARD PREJUDICES SUBSTANTIAL RIGHTS OF THE PETI-  
 14 TIONER FOR ANY OF THE GROUNDS LISTED IN section 106 of the admin-  
 15 istrative procedures act of 1969, Act No. 306 of the Public Acts  
 16 of 1969, being section 24.306 of the Michigan Compiled Laws, AND  
 17 HOLDS THAT THE FINAL DECISION OR ORDER IS UNLAWFUL AND IS TO BE  
 18 SET ASIDE, the court shall state on the record the reasons for  
 19 the holding and may remand the case to the DISCIPLINARY board for  
 20 further consideration.

21 (3) ~~A~~ THE DISCIPLINARY board ~~created under part 170 or~~  
 22 ~~175~~ may impose a fine of up to, but not exceeding, \$250,000.00  
 23 for a violation of section 16221(a) or (b).

24 (4) THE DISCIPLINARY BOARD MAY REQUIRE A LICENSEE OR REGIS-  
 25 TRANT OR AN APPLICANT FOR LICENSURE OR REGISTRATION WHO HAS VIO-  
 26 LATED SECTION 16221 TO SATISFACTORILY COMPLETE AN EDUCATIONAL

1 PROGRAM, A TRAINING PROGRAM, OR A TREATMENT PROGRAM, OR A  
2 COMBINATION OF THOSE PROGRAMS.

3 Sec. 16227. (1) ~~A~~ THE DISCIPLINARY board shall deny or  
4 revoke a registration for fraud or deceit in obtaining the regis-  
5 tration or for violating ~~—~~ or aiding or abetting in a violation  
6 ~~—~~ of this article or of rules promulgated under this article.

7 ~~A~~ THE DISCIPLINARY board shall suspend or revoke ~~a~~ THE regis-  
8 tration ~~permitted to~~ OF A REGISTRANT WHO PERMITS HIS OR HER  
9 REGISTRATION TO be used by an unauthorized person.

10 (2) For an offense committed within 2 years after a previous  
11 offense of the same kind, ~~a~~ THE DISCIPLINARY board ~~shall~~ MAY  
12 suspend or revoke the license or registration.

13 (3) Section 16226 and this section do not limit any other  
14 sanction or additional ~~disciplinary~~ action ~~a~~ THE DISCIPLINARY  
15 board is authorized to impose or take.

16 Sec. 16231. (1) A person or governmental entity who  
17 believes that a violation of this article or a rule promulgated  
18 under this article or a ground for disciplinary action UNDER SEC-  
19 TION 16221 exists may notify the department in writing. ~~The~~  
20 ~~department shall provide the appropriate board or its representa-~~  
21 ~~tive with the allegation 5 days after its receipt.~~

22 ~~(2) If, upon reviewing an allegation, the board or its rep-~~  
23 ~~resentative determines there is reasonable basis to believe a~~  
24 ~~ground set forth in section 16221(a), (b)(i), (b)(v), or (c)(iii)~~  
25 ~~exists, the department shall investigate. If a board or its rep-~~  
26 ~~resentative does not make a determination within 30 days, the~~  
27 ~~department shall make the determination.~~

1       (2) ~~(3)~~ If, upon reviewing an allegation OR A LICENSEE'S  
 2 FILE UNDER SECTION 16211(4), the department determines there is a  
 3 reasonable basis to believe the existence of A VIOLATION OF THIS  
 4 ARTICLE OR ARTICLE 7 OR A RULE PROMULGATED UNDER THIS ARTICLE OR  
 5 ARTICLE 7 OR grounds ~~other than those~~ FOR DISCIPLINARY ACTION  
 6 listed in ~~subsection (2)~~ SECTION 16221, the department, WITH  
 7 THE AUTHORIZATION OF A PERMANENT MEMBER OF THE DISCIPLINARY  
 8 BOARD, shall investigate.

9       (3) ~~(4)~~ Upon the receipt of information reported pursuant  
 10 to section 16243(2) ~~which~~ THAT indicates 3 or more malpractice  
 11 settlements, awards, or judgments against a licensee in ~~any con-~~  
 12 ~~secutive 10 year period or 1 or more malpractice settlements,~~  
 13 ~~awards, or judgments against a licensee totaling more than~~  
 14 ~~\$200,000.00 in any consecutive 10 year period,~~ A PERIOD OF 5  
 15 CONSECUTIVE YEARS, whether or not a judgment or award is stayed  
 16 pending appeal, ~~a board shall notify the department, and~~ the  
 17 department shall investigate.

18       (4) ~~(5)~~ Within 45 days after receipt of ~~the~~ AN allega-  
 19 tion OR REVIEW OF A LICENSEE'S FILE UNDER SECTION 16211(4), the  
 20 department shall ~~notify the person making the allegation in~~  
 21 ~~writing of actions taken. The department shall transmit a~~  
 22 ~~response to the appropriate board within 5 days after the date~~  
 23 ~~sent.~~ MAKE A RECOMMENDATION TO THE DISCIPLINARY BOARD THAT FUR-  
 24 THER ACTION OR NO ACTION BE TAKEN. UPON RECEIPT OF A WRITTEN  
 25 REQUEST FROM THE DEPARTMENT, THE DISCIPLINARY BOARD MAY GRANT AN  
 26 EXTENSION OF NOT MORE THAN 30 ADDITIONAL DAYS FOR GOOD CAUSE  
 27 SHOWN.

1       (5) ~~(6) The~~ UNLESS THE PERSON SUBMITTING THE ALLEGATION  
2 OTHERWISE AGREES IN WRITING, THE DEPARTMENT SHALL KEEP THE iden-  
3 tity of a person submitting the allegation ~~shall remain~~ confi-  
4 dential until disciplinary proceedings under this part are initi-  
5 ated against the subject of the allegation and the person making  
6 the allegation is required to testify in the proceedings.

7       (6) ~~(7) The Michigan board of medicine created in part 170,~~  
8 ~~or the Michigan board of osteopathic medicine and surgery created~~  
9 ~~in part 175, or the official designee of either board shall~~  
10 ~~review allegations on a priority basis. Those allegations which~~  
11 ~~are determined by the boards or their official designees to pose~~  
12 ~~a serious risk to the public health and welfare shall be reviewed~~  
13 ~~before all other allegations received by the boards or their~~  
14 ~~representatives.~~ A PUBLIC MEMBER OF THE DISCIPLINARY BOARD  
15 APPOINTED BY THE CHAIRPERSON SHALL REVIEW THE RECOMMENDATION OF  
16 THE DEPARTMENT MADE UNDER SUBSECTION (4), AND SHALL AUTHORIZE THE  
17 ISSUANCE OF A COMPLAINT OR RECOMMEND NO FURTHER ACTION BE TAKEN  
18 REGARDING THE ALLEGATION. THE CHAIRPERSON SHALL APPOINT PUBLIC  
19 MEMBERS OF THE DISCIPLINARY BOARD ON A ROTATING BASIS TO REVIEW  
20 THE RECOMMENDATIONS OF THE DEPARTMENT.

21       (7) IF A COMPLAINT IS AUTHORIZED UNDER SUBSECTION (6), THE  
22 DEPARTMENT SHALL PREPARE A COMPLAINT AND MAIL IT TO THE LICENSEE  
23 OR REGISTRANT WHO IS THE SUBJECT OF THE COMPLAINT BY CERTIFIED  
24 MAIL, RETURN RECEIPT REQUESTED, AT THE LICENSEE'S OR REGISTRANT'S  
25 LAST KNOWN ADDRESS OR PERSONALLY SERVE THE COMPLAINT UPON THE  
26 LICENSEE OR REGISTRANT. THE COMPLAINT SHALL INCLUDE A NOTICE  
27 THAT THE LICENSEE OR REGISTRANT WHO IS THE SUBJECT OF THE

1 COMPLAINT HAS 30 DAYS FROM THE DATE OF RECEIPT TO RESPOND IN  
2 WRITING TO THE COMPLAINT.

3 (8) FAILURE OF THE LICENSEE OR REGISTRANT TO RESPOND TO THE  
4 COMPLAINT WITHIN THE 30-DAY PERIOD MAY BE TREATED BY THE DEPART-  
5 MENT AS AN ADMISSION OF THE ALLEGATIONS CONTAINED IN THE  
6 COMPLAINT. THE DEPARTMENT SHALL NOTIFY THE DISCIPLINARY BOARD OF  
7 THE INDIVIDUAL'S FAILURE TO RESPOND. THE DISCIPLINARY BOARD MAY  
8 THEN IMPOSE AN APPROPRIATE SANCTION UNDER SECTION 16226.

9 (9) BEFORE A HEARING IS HELD BY A REGIONAL REVIEW PANEL  
10 UNDER SECTION 16231A, THE DEPARTMENT SHALL CONDUCT A SETTLEMENT  
11 CONFERENCE BETWEEN DEPARTMENT STAFF AND THE LICENSEE OR  
12 REGISTRANT. THE LICENSEE OR REGISTRANT MAY BE REPRESENTED AT THE  
13 SETTLEMENT CONFERENCE BY LEGAL COUNSEL. IF A SETTLEMENT IS  
14 REACHED, THE DEPARTMENT SHALL PREPARE A STIPULATION AND FINAL  
15 ORDER AND SUBMIT THE STIPULATION AND FINAL ORDER TO THE DISCI-  
16 PLINARY BOARD FOR APPROVAL. IF A SETTLEMENT IS NOT REACHED, THE  
17 COMPLAINT SHALL BE REFERRED TO A REGIONAL DISCIPLINARY PANEL PUR-  
18 SUANT TO SECTION 16231A.

19 (10) FAILURE OF A LICENSEE OR REGISTRANT TO ATTEND A SETTLE-  
20 MENT CONFERENCE HELD UNDER SUBSECTION (9) MAY BE TREATED BY THE  
21 DEPARTMENT AS AN ADMISSION OF THE ALLEGATIONS CONTAINED IN THE  
22 COMPLAINT. THE DEPARTMENT SHALL NOTIFY THE DISCIPLINARY BOARD OF  
23 THE INDIVIDUALS' FAILURE TO ATTEND. THE DISCIPLINARY BOARD MAY  
24 THEN IMPOSE AN APPROPRIATE SANCTION UNDER THIS ARTICLE OR  
25 ARTICLE 7 OR SECTION 16226.

26 SEC. 16231A. (1) IF A SETTLEMENT IS NOT REACHED AT A  
27 SETTLEMENT CONFERENCE HELD UNDER SECTION 16231(9), A HEARING



1 SHALL BE HELD BEFORE A REGIONAL DISCIPLINARY PANEL IN THE REGION  
2 WHERE THE LICENSEE OR REGISTRANT RESIDES OR DOES BUSINESS. THE  
3 REGIONAL DISCIPLINARY PANEL SHALL CONDUCT THE HEARING WITHIN 45  
4 DAYS AFTER RECEIPT OF A REFERRAL UNDER SECTION 16231(9). A  
5 REGIONAL DISCIPLINARY PANEL SHALL CONSIST OF 2 INDIVIDUALS  
6 LICENSED OR REGISTERED IN THE SAME HEALTH PROFESSION AS THE  
7 LICENSEE OR REGISTRANT WHO IS THE SUBJECT OF THE COMPLAINT AND 1  
8 LICENSED ATTORNEY.

9 (2) THE LICENSEE OR REGISTRANT MEMBERS OF THE REGIONAL DIS-  
10 CIPLINARY PANEL SHALL BE APPOINTED BY THE DIRECTOR. THE DEPART-  
11 MENT SHALL NOT PAY A LICENSEE OR REGISTRANT MEMBER A PER DIEM  
12 AMOUNT, BUT SHALL REIMBURSE FOR ACTUAL AND NECESSARY EXPENSES.

13 (3) THE DEPARTMENT SHALL CONTRACT WITH THE ATTORNEY MEMBER  
14 OF THE REGIONAL DISCIPLINARY PANEL, WHO SHALL SERVE AS  
15 CHAIRPERSON.

16 (4) THE REGIONAL DISCIPLINARY PANEL SHALL DETERMINE IF THE  
17 LICENSEE OR REGISTRANT HAS VIOLATED THIS ARTICLE OR ARTICLE 7 OR  
18 A RULE PROMULGATED UNDER THIS ARTICLE OR ARTICLE 7 OR IF THERE  
19 ARE GROUNDS FOR DISCIPLINARY ACTION UNDER SECTION 16221. THE  
20 ATTORNEY MEMBER OF THE REGIONAL DISCIPLINARY PANEL SHALL PREPARE  
21 THE PANEL'S FINDINGS OF FACT, CONCLUSIONS OF LAW, AND RECOMMENDA-  
22 TIONS FOR FURTHER ACTION INCLUDING, BUT NOT LIMITED TO, DISMISSAL  
23 OR PROPOSED SANCTIONS, FOR TRANSMITTAL TO THE DISCIPLINARY  
24 BOARD. FINAL ACTION OF THE REGIONAL DISCIPLINARY PANEL SHALL BE  
25 TAKEN ONLY BY A MAJORITY OF THE MEMBERS OF THE REGIONAL DISCI-  
26 PLINARY PANEL. THE REGIONAL DISCIPLINARY PANEL SHALL NOT IMPOSE  
27 PENALTIES.

1 (5) THE LICENSEE OR REGISTRANT WHO IS THE SUBJECT OF THE  
2 COMPLAINT MAY REQUEST AND BE GRANTED 1 CONTINUANCE BY THE CHAIR-  
3 PERSON OF THE REGIONAL DISCIPLINARY PANEL FOR GOOD CAUSE SHOWN.  
4 THE LICENSEE OR REGISTRANT MAY BE REPRESENTED AT THE HEARING BY  
5 LEGAL COUNSEL. THE DEPARTMENT SHALL BE REPRESENTED BY THE  
6 DEPARTMENT OF ATTORNEY GENERAL.

7 (6) UNLESS A CONTINUANCE HAS BEEN GRANTED UNDER  
8 SUBSECTION (5), FAILURE OF A LICENSEE OR REGISTRANT TO APPEAR OR  
9 BE REPRESENTED AT A SCHEDULED HEARING MAY BE TREATED BY THE  
10 REGIONAL DISCIPLINARY PANEL AS AN ADMISSION OF THE ALLEGATIONS  
11 CONTAINED IN THE COMPLAINT. THE REGIONAL DISCIPLINARY PANEL  
12 SHALL NOTIFY THE DISCIPLINARY BOARD OF THE INDIVIDUAL'S FAILURE  
13 TO APPEAR. THE DISCIPLINARY BOARD MAY THEN IMPOSE AN APPROPRIATE  
14 SANCTION UNDER THIS ARTICLE OR ARTICLE 7 OR SECTION 16226.

15 (7) THE DEPARTMENT MAY PROMULGATE RULES TO IMPLEMENT THIS  
16 PART INCLUDING, BUT NOT LIMITED TO, RULES TO ESTABLISH GEOGRAPHIC  
17 REGIONS FOR PURPOSES OF THIS SECTION, TO PROVIDE FOR FACILITIES  
18 AND SUPPORT STAFF FOR REGIONAL DISCIPLINARY PANELS, AND TO GOVERN  
19 HEARINGS AND RELATED PRELIMINARY PROCEEDINGS.

20 Sec. 16232. (1) ~~An~~ THE DEPARTMENT SHALL PROVIDE AN oppor-  
21 tunity for a hearing ~~shall be provided~~ BEFORE THE DISCIPLINARY  
22 BOARD OR A REGIONAL DISCIPLINARY PANEL in connection with the  
23 denial, reclassification, ~~limitation~~ RESTRICTION, suspension,  
24 or revocation of a license or a proceeding to reprimand, fine, or  
25 place a licensee on probation.

26 (2) ~~An~~ THE DEPARTMENT SHALL PROVIDE AN opportunity for a  
27 hearing ~~shall be provided~~ BEFORE THE DISCIPLINARY BOARD OR A

1 REGIONAL DISCIPLINARY PANEL in connection with the denial,  
2 suspension, or revocation of a registration or proceeding to rep-  
3 rimand or fine a registrant.

4 (3) THE DISCIPLINARY BOARD SHALL HOLD A HEARING UNDER THIS  
5 SECTION WITHIN 60 DAYS AFTER RECEIPT OF THE FINDINGS OF FACT AND  
6 CONCLUSIONS OF LAW FROM A REGIONAL DISCIPLINARY PANEL FINDING  
7 THAT A LICENSEE OR REGISTRANT HAS VIOLATED THIS ARTICLE OR  
8 ARTICLE 7 OR A RULE PROMULGATED UNDER THIS ARTICLE OR ARTICLE 7  
9 OR THE EXISTENCE OF GROUNDS FOR DISCIPLINARY ACTION UNDER SECTION  
10 16221. A HEARING HELD UNDER THIS SECTION IS SUBJECT TO SECTION  
11 16237.

12 (4) AFTER ISSUING A FINAL ORDER OF DISCIPLINE, THE DISCI-  
13 PLINARY BOARD SHALL TRANSMIT A COPY OF THE FINAL ORDER TO THE  
14 APPROPRIATE LICENSURE OR REGISTRATION BOARD.

15 Sec. 16233. (1) The department may conduct an investigation  
16 necessary to administer and enforce this article. Investigations  
17 may include written, oral, or practical tests of a licensee's OR  
18 REGISTRANT'S competency. THE DEPARTMENT MAY ESTABLISH A SPECIAL  
19 PARALEGAL UNIT TO ASSIST THE DEPARTMENT UNDER THIS SUBSECTION.

20 (2) ~~The appropriate board or its representative shall be~~  
21 ~~informed of investigations, enforcement actions, and hearings~~  
22 ~~undertaken pursuant to this article and shall have the right to~~  
23 ~~consult with and recommend to the department on the conduct of~~  
24 ~~those activities at any stage of the proceeding.~~ AFTER AN INVES-  
25 TIGATION HAS BEEN CONDUCTED, THE DEPARTMENT MAY ORDER AN INDIVID-  
26 UAL TO CEASE AND DESIST FROM A VIOLATION OF THIS ARTICLE OR  
27 ARTICLE 7 OR A RULE PROMULGATED UNDER THIS ARTICLE OR ARTICLE 7.

1 (3) AN INDIVIDUAL ORDERED TO CEASE AND DESIST UNDER  
2 SUBSECTION (2) IS ENTITLED TO A HEARING BEFORE THE DEPARTMENT IF  
3 A WRITTEN REQUEST FOR A HEARING IS FILED WITHIN 30 DAYS AFTER THE  
4 EFFECTIVE DATE OF THE CEASE AND DESIST ORDER.

5 (4) UPON A VIOLATION OF A CEASE AND DESIST ORDER ISSUED  
6 UNDER SUBSECTION (2), THE DEPARTMENT OF THE ATTORNEY GENERAL MAY  
7 APPLY IN THE CIRCUIT COURT TO RESTRAIN AND ENJOIN, TEMPORARILY OR  
8 PERMANENTLY, OR BOTH, AN INDIVIDUAL FROM FURTHER VIOLATING THE  
9 CEASE AND DESIST ORDER.

10 (5) ~~(3)~~ The ~~appropriate~~ DISCIPLINARY board may summarily  
11 suspend a license if the public health, safety, or welfare  
12 requires emergency action in accordance with section 92 of the  
13 administrative procedures act of 1969, BEING SECTION 24.292 OF  
14 THE MICHIGAN COMPILED LAWS. IF A LICENSEE IS CONVICTED OF A MIS-  
15 DEMEANOR PUNISHABLE BY IMPRISONMENT FOR NOT MORE THAN 2 YEARS, A  
16 MISDEMEANOR INVOLVING THE ILLEGAL DELIVERY, POSSESSION, OR USE OF  
17 ALCOHOL OR A CONTROLLED SUBSTANCE, OR A FELONY, THE DISCIPLINARY  
18 BOARD SHALL FIND THAT THE PUBLIC HEALTH, SAFETY, OR WELFARE  
19 REQUIRES EMERGENCY ACTION AND SHALL SUSPEND THE LICENSEE'S  
20 LICENSE UNDER SECTION 92 OF THE ADMINISTRATIVE PROCEDURES ACT OF  
21 1969.

22 ~~(4) A board may delegate determination of a violation and~~  
23 ~~the imposition of a sanction in a contested case to a hearing~~  
24 ~~examiner whose decision shall constitute final administrative~~  
25 ~~action unless the board authorizes review.~~

26 (6) ~~(5) A~~ IF THE DISCIPLINARY board ~~or hearing examiner~~  
27 ~~which~~ suspends or revokes ~~a~~ THE license OF AN INDIVIDUAL WHO

1 HOLDS A CONTROLLED SUBSTANCES LICENSE ISSUED UNDER ARTICLE 7 OR A  
2 DRUG CONTROL LICENSE ISSUED UNDER PART 177, IT shall immediately  
3 ~~notify,~~ DO BOTH OF THE FOLLOWING:

4 (A) PROCEED UNDER SECTION 7311(6).

5 (B) NOTIFY, in writing, the Michigan board of pharmacy or  
6 its designated or established authority.

7 Sec. 16234. (1) The ~~department may authorize a hearings~~  
8 ~~examiner to~~ DISCIPLINARY BOARD OR A REGIONAL DISCIPLINARY PANEL  
9 MAY hold hearings and administer oaths ~~—~~ and order testimony to  
10 be taken at a hearing or by deposition. ~~conducted pursuant to~~  
11 ~~the administrative procedures act of 1969.~~

12 (2) An accused person has the right to be represented at  
13 ~~the~~ A hearing by legal counsel.

14 Sec. 16235. (1) Upon application by the attorney general or  
15 a party to a ~~contested case~~ DISCIPLINARY PROCEEDING, the cir-  
16 cuit court may issue a subpoena requiring a person to appear  
17 before ~~a hearings examiner in a contested case~~ THE DISCIPLINARY  
18 BOARD OR A REGIONAL DISCIPLINARY PANEL or before the department  
19 in an investigation and be examined with reference to a matter  
20 within the scope of that ~~contested case or investigation~~  
21 DISCIPLINARY PROCEEDING and to produce books, papers, or docu-  
22 ments pertaining to that ~~contested case, or investigation~~  
23 DISCIPLINARY PROCEEDING.

24 (2) A copy of a record of the council, a LICENSURE board,  
25 THE DISCIPLINARY BOARD, A REGIONAL DISCIPLINARY PANEL, or a task  
26 force certified by a person designated by the director ~~shall be~~  
27 IS prima facie evidence of the matters recorded and shall be

1 admissible as evidence in a proceeding in this state with the  
2 same force and effect as if the original were produced.

3       Sec. 16236. (1) In a hearing where mental or physical  
4 inability OR SUBSTANCE ABUSE under section 16221 is alleged, the  
5 DISCIPLINARY board ~~or hearings examiner~~ OR A REGIONAL DISCI-  
6 PLINARY PANEL WITH THE APPROVAL OF THE DISCIPLINARY BOARD may  
7 require the licensee OR REGISTRANT to submit to a mental or phys-  
8 ical examination conducted by physicians or other appropriate  
9 health professionals designated by the DISCIPLINARY board OR  
10 REGIONAL DISCIPLINARY PANEL. ~~This~~ AN examination CONDUCTED  
11 UNDER THIS SUBSECTION shall be at the expense of the department.

12       (2) For purposes of this section, an individual licensed OR  
13 REGISTERED under this part who accepts the privilege of practic-  
14 ing in this state, by so practicing or by receiving a license or  
15 renewal to practice OR BY RECEIVING REGISTRATION, consents to  
16 submit to a mental or physical examination UNDER SUBSECTION (1)  
17 when directed to do so in writing by ~~a~~ THE DISCIPLINARY board  
18 ~~or hearings examiner conducting the hearing~~ and waives all  
19 objections to the admissibility of the testimony or examination  
20 reports of the examining health professional on the ground that  
21 the testimony or reports constitute privileged communications.

22       SEC. 16237. (1) IN HOLDING A HEARING UNDER SECTION 16232,  
23 THE DISCIPLINARY BOARD SHALL REVIEW THE FINDINGS OF FACT AND CON-  
24 CLUSIONS OF LAW OF THE REGIONAL DISCIPLINARY PANEL. THE DISCI-  
25 PLINARY BOARD SHALL NOT CONDUCT A HEARING DE NOVO UNLESS A MAJOR-  
26 ITY OF THE DISCIPLINARY BOARD FINDS THAT A PREPONDERANCE OF THE

1 EVIDENCE DOES NOT SUPPORT THE FINDINGS OF FACT AND CONCLUSIONS OF  
2 LAW OF THE REGIONAL DISCIPLINARY PANEL.

3 (2) THE ATTORNEY GENERAL SHALL ADVISE THE DISCIPLINARY BOARD  
4 ON MATTERS OF LAW AND PROVIDE OTHER LEGAL ASSISTANCE AS  
5 NECESSARY. THE PARTICULAR ASSISTANT ATTORNEY GENERAL ASSIGNED TO  
6 THE DISCIPLINARY BOARD SHALL NOT BE THE SAME INDIVIDUAL WHO REP-  
7 RESENTED THE DEPARTMENT BEFORE A REGIONAL DISCIPLINARY PANEL PUR-  
8 SUANT TO SECTION 16231A(5).

9 (3) IN REVIEWING THE FINDINGS OF FACT AND CONCLUSIONS OF LAW  
10 OF THE REGIONAL DISCIPLINARY PANEL, THE DISCIPLINARY BOARD MAY  
11 REQUEST OF A PARTY ADDITIONAL TESTIMONY OR EVIDENCE ON A SPECIFIC  
12 ISSUE.

13 (4) IF THE DISCIPLINARY BOARD FINDS THAT A PREPONDERANCE OF  
14 THE EVIDENCE SUPPORTS THE FINDINGS OF FACT AND CONCLUSIONS OF LAW  
15 OF THE REGIONAL DISCIPLINARY PANEL, THE DISCIPLINARY BOARD SHALL  
16 IMPOSE AN APPROPRIATE SANCTION UNDER THIS ARTICLE OR ARTICLE 7 OR  
17 SECTION 16226.

18 (5) THE SETTLEMENT CONFERENCE, REGIONAL DISCIPLINARY PANEL  
19 HEARING, AND FINAL DISCIPLINARY BOARD ACTION SHALL BE COMPLETED  
20 WITHIN 9 MONTHS AFTER A FORMAL COMPLAINT IS ISSUED. THE 9-MONTH  
21 DEADLINE MAY BE EXTENDED BY THE DISCIPLINARY BOARD UPON THE  
22 MOTION OF A PARTY FOR GOOD CAUSE SHOWN.

23 (6) A FINAL DECISION OF THE DISCIPLINARY BOARD MAY BE  
24 APPEALED TO THE COURT OF APPEALS. AN APPEAL FILED UNDER THIS  
25 SUBSECTION SHALL BE BY LEAVE OF THE COURT OF APPEALS AND NOT BY  
26 RIGHT.

1        SEC. 16238. (1) THE INFORMATION OBTAINED IN AN  
2 INVESTIGATION BY THE DEPARTMENT AND THE FACT THAT THE  
3 INVESTIGATION IS BEING CONDUCTED UNDER SECTION 16221, 16231, OR  
4 16233 OR ARTICLE 7 IS CONFIDENTIAL AND SHALL NOT BE DISCLOSED  
5 EXCEPT TO THE EXTENT NECESSARY FOR THE PROPER FUNCTIONING OF A  
6 REGIONAL DISCIPLINARY PANEL, THE DISCIPLINARY BOARD, OR THE  
7 DEPARTMENT.

8        (2) A SETTLEMENT CONFERENCE AND A HEARING BEFORE A REGIONAL  
9 DISCIPLINARY PANEL OR THE DISCIPLINARY BOARD SHALL BE CLOSED TO  
10 THE PUBLIC.

11        (3) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, THE  
12 RECORD OF A SETTLEMENT CONFERENCE, A HEARING BEFORE A REGIONAL  
13 DISCIPLINARY PANEL, AND A HEARING BEFORE THE DISCIPLINARY BOARD  
14 IS CONFIDENTIAL. IF THE DISCIPLINARY BOARD IMPOSES A SANCTION  
15 UPON AN INDIVIDUAL UNDER SECTION 16226, THE RECORD IS NO LONGER  
16 CONFIDENTIAL AND IS A PUBLIC RECORD, EXCEPT AS OTHERWISE PROVIDED  
17 IN SECTION 16231(5).

18        SEC. 16239. (1) EACH LICENSEE WHO IS IN PRIVATE PRACTICE  
19 SHALL CONSPICUOUSLY DISPLAY IN THE PATIENT WAITING AREA OF HIS OR  
20 HER OFFICE A SIGN OUTLINING THE PROCEDURE FOR FILING A COMPLAINT  
21 AGAINST A LICENSEE WITH THE DEPARTMENT. THE SIGN SHALL BE PRO-  
22 VIDED BY THE DEPARTMENT. THE SPECIFIC WORDING AND DIMENSIONS OF  
23 THE SIGN SHALL BE PRESCRIBED BY THE DEPARTMENT. THE DEPARTMENT  
24 SHALL PRINT THE SIGN IN LANGUAGES THAT ARE APPROPRIATE TO THE  
25 ETHNIC COMPOSITION OF THE PATIENT POPULATION WHERE THE SIGN WILL  
26 BE DISPLAYED.



1       (2) EACH LICENSEE WHO IS IN PRIVATE PRACTICE SHALL  
2 CONSPICUOUSLY DISPLAY IN THE PATIENT WAITING AREA OF HIS OR HER  
3 OFFICE A PAMPHLET OUTLINING THE PROCEDURE FOR FILING A COMPLAINT  
4 AGAINST A LICENSEE WITH THE DEPARTMENT. THE PAMPHLET SHALL BE  
5 PREPARED AND PROVIDED BY THE DEPARTMENT. THE DEPARTMENT SHALL  
6 PRINT THE PAMPHLET IN LANGUAGES THAT ARE APPROPRIATE TO THE  
7 ETHNIC COMPOSITION OF THE PATIENT POPULATION WHERE THE PAMPHLET  
8 WILL BE DISPLAYED.

9       Sec. 16241. (1) After administrative disciplinary action is  
10 final, the department of licensing and regulation shall publish a  
11 list of the names and addresses of disciplined individuals. THE  
12 DEPARTMENT OF LICENSING AND REGULATION SHALL INDICATE FOR EACH  
13 DISCIPLINED INDIVIDUAL WHETHER OR NOT A JUDICIAL APPEAL IS  
14 PENDING. The department of licensing and regulation shall report  
15 disciplinary action to the department of public health, the com-  
16 missioner of insurance, the state and federal agencies responsi-  
17 ble for fiscal administration of federal health care programs,  
18 and the appropriate professional association.

19       (2) THE DEPARTMENT OF LICENSING AND REGULATION ANNUALLY  
20 SHALL TRANSMIT TO EACH COUNTY CLERK A COMPILATION OF THE LISTS  
21 REQUIRED UNDER SUBSECTION (1) FOR THE IMMEDIATELY PRECEDING 3  
22 YEARS.

23       (3) ~~-(2)-~~ The department of public health shall report the  
24 disciplinary actions to appropriate licensed health facilities  
25 and agencies. The commissioner of insurance shall report the  
26 disciplinary actions received from the department of licensing

1 and regulation to insurance carriers providing professional  
2 liability insurance.

3       (4) ~~(3)~~ In case of a summary suspension of a license under  
4 SECTION 92 OF the administrative procedures act of 1969, BEING  
5 SECTION 24.292 OF THE MICHIGAN COMPILED LAWS, the department of  
6 licensing and regulation shall report the name and address of the  
7 individual whose license has been surrendered to the department  
8 of public health, the commissioner of insurance, the state and  
9 federal agencies responsible for fiscal administration of federal  
10 health care programs, and the appropriate professional  
11 association.

12       (5) THE DEPARTMENT OF LICENSING AND REGULATION SHALL ANNU-  
13 ALLY REPORT TO THE LEGISLATURE ON DISCIPLINARY ACTIONS TAKEN  
14 UNDER THIS ARTICLE. THE REPORT SHALL CONTAIN, AT A MINIMUM, ALL  
15 OF THE FOLLOWING INFORMATION:

16       (A) INVESTIGATIONS CONDUCTED, FORMAL COMPLAINTS ISSUED, AND  
17 SETTLEMENTS REACHED BY THE DEPARTMENT OF LICENSING AND REGULA-  
18 TION, BROKEN OUT BY TYPE OF COMPLAINT, REGION, AND HEALTH  
19 PROFESSION.

20       (B) ACTIONS TAKEN BY REGIONAL DISCIPLINARY PANELS, BROKEN  
21 OUT BY TYPE OF COMPLAINT, REGION, HEALTH PROFESSION, AND  
22 FINDINGS.

23       (C) ACTIONS TAKEN BY THE DISCIPLINARY BOARD, BROKEN OUT BY  
24 TYPE OF COMPLAINT, REGION, HEALTH PROFESSION, AND FINAL ORDER  
25 ISSUED.

26       Sec. 16243. (1) ~~A board~~ THE DEPARTMENT may request and  
27 receive the following reports: ~~and shall evaluate the reports,~~

1 ~~determine whether grounds for disciplinary action exist, and~~  
2 ~~apply appropriate sanctions.~~

3 (a) Information from a licensed health care facility as to  
4 disciplinary action taken by it ~~which~~ THAT results in the  
5 change of employment status or privileges of practice of a  
6 licensee, and a summary of the information pertinent to the  
7 change, ~~where~~ IF the DISCIPLINARY action is related to the  
8 safety and competence of practice.

9 (b) Information from an insurer providing professional  
10 liability insurance as to claims or actions for damages against a  
11 licensee; settlements in any amount; final disposition not  
12 resulting in payment on behalf of the insured; and a personal  
13 injury claimed to have been caused by an error, omission, or neg-  
14 ligence in the performance of the insured professional services.  
15 AN INSURER THAT RECEIVES A REQUEST UNDER THIS SUBDIVISION SHALL  
16 SUBMIT THE INFORMATION REQUESTED DIRECTLY TO THE DISCIPLINARY  
17 BOARD.

18 (c) Information from a court in this state as to a felony or  
19 misdemeanor conviction or a judgment against a licensee or regis-  
20 trant finding the licensee or registrant negligent in an action  
21 for malpractice, whether or not the judgment is appealed.

22 (D) A REPORT MADE BY A LICENSEE OR REGISTRANT UNDER  
23 SECTION 16222.

24 (E) ~~(d)~~ Reports from any other appropriate source neces-  
25 sary for determination of the competency and safety of the prac-  
26 tice of a licensee. Appropriate sources include, BUT ARE NOT

1 LIMITED TO, appointed public and private professional review  
2 entities and public and private health insurance programs.

3 (2) Within 10 days after the entry of a judgment against a  
4 licensee OR A HEALTH FACILITY OR AGENCY LICENSED UNDER ARTICLE 17  
5 finding the licensee OR THE HEALTH FACILITY OR AGENCY negligent  
6 in an action for malpractice or the approval by a court of a set-  
7 tlement in an action for malpractice, the clerk of the court in  
8 which the judgment was entered or the settlement approved shall  
9 prepare and immediately forward to the ~~appropriate board~~  
10 DEPARTMENT on a form prescribed by the department a report set-  
11 ting forth the name of the licensee ~~and the amount of damages~~  
12 ~~awarded or the amount of the approved settlement~~ OR THE HEALTH  
13 FACILITY OR AGENCY.

14 Sec. 16244. (1) A person, including a state or county  
15 health professional organization, a committee of the organi-  
16 zation, or an employee or officer of the organization furnishing  
17 information to, or on behalf of, the organization, acting in good  
18 faith who makes a report; assists in originating, investigating,  
19 or preparing a report; or assists a LICENSURE board, THE DISCI-  
20 PLINARY BOARD, A REGIONAL DISCIPLINARY PANEL, or the department  
21 in carrying out its duties under this article ~~shall be~~ IS  
22 immune from civil or criminal liability ~~which~~ INCLUDING, BUT  
23 NOT LIMITED TO, LIABILITY IN A CIVIL ACTION FOR DAMAGES THAT  
24 might otherwise be incurred thereby and ~~shall be~~ IS protected  
25 under the whistleblowers' protection act, Act No. 469 of the  
26 Public Acts of 1980, being sections 15.361 to 15.369 of the  
27 Michigan Compiled Laws. A person making or assisting in making a

1 report, or assisting a LICENSURE board, THE DISCIPLINARY BOARD, A  
 2 REGIONAL DISCIPLINARY PANEL, or the department, ~~shall be~~ IS  
 3 presumed to have acted in good faith. This immunity from civil  
 4 or criminal liability extends only to acts done pursuant to this  
 5 article or section 21513(e).

6 (2) The physician-patient privilege ~~shall not prevail~~  
 7 CREATED IN SECTION 2157 OF THE REVISED JUDICATURE ACT OF 1961,  
 8 ACT NO. 236 OF THE PUBLIC ACTS OF 1961, BEING SECTION 600.2157 OF  
 9 THE MICHIGAN COMPILED LAWS, DOES NOT APPLY in an investigation or  
 10 proceeding by a REGIONAL DISCIPLINARY PANEL, THE DISCIPLINARY  
 11 board, or the department acting within the scope of its  
 12 authorization. Unless expressly waived by the ~~patient~~  
 13 INDIVIDUAL TO WHOM THE INFORMATION PERTAINS, the information  
 14 obtained ~~shall be~~ IS confidential and shall not be disclosed  
 15 except to the extent necessary for the proper functioning of a  
 16 REGIONAL DISCIPLINARY PANEL, THE DISCIPLINARY board, or the  
 17 department. ~~Any other use or dissemination by a person by any~~  
 18 ~~means, unless~~ EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, A  
 19 PERSON SHALL NOT USE OR DISSEMINATE THE INFORMATION EXCEPT pursu-  
 20 ant to a valid court order. ~~, is prohibited.~~

21 Sec. 16245. (1) An individual whose license is ~~limited,~~  
 22 suspended ~~,~~ or revoked under this part may apply to ~~the~~ HIS  
 23 OR HER LICENSURE board for a reinstatement of a revoked or sus-  
 24 pended license. ~~or reclassification of a limited license pursu-~~  
 25 ~~ant to section 16247, 16248, or 16249.~~

26 (2) An individual whose registration is suspended or revoked  
 27 under this part may apply to ~~the~~ HIS OR HER REGISTRATION board

1 for a reinstatement of a suspended or revoked registration  
2 pursuant to section 16248.

3 (3) A LICENSURE BOARD SHALL REINSTATE A license suspended  
4 for grounds stated in section 16221(i) ~~shall be reinstated~~ upon  
5 payment of the installment.

6 (4) ~~In~~ EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, IN  
7 case of a revoked license or registration, A LICENSURE BOARD  
8 SHALL NOT ACCEPT an application ~~shall not be accepted~~ FOR  
9 REINSTATEMENT within 3 years after the EFFECTIVE date of THE  
10 revocation. IN CASE OF A LICENSE OR REGISTRATION THAT WAS  
11 REVOKED FOR A VIOLATION OF SECTION 16221(B)(vii) OR A VIOLATION  
12 OF SECTION 16221(C)(iv) CONSISTING OF A FELONY CONVICTION, A  
13 LICENSURE BOARD SHALL NOT ACCEPT AN APPLICATION FOR REINSTATEMENT  
14 WITHIN 5 YEARS AFTER THE EFFECTIVE DATE OF THE REVOCATION.

15 (5) ~~An~~ A LICENSURE BOARD SHALL PROVIDE AN opportunity for  
16 a hearing ~~shall be provided~~ before final rejection of an appli-  
17 cation for reinstatement.

18 (6) THE DISCIPLINARY BOARD SHALL PROMULGATE RULES TO ESTAB-  
19 LISH SPECIFIC CRITERIA TO BE MET BY AN APPLICANT FOR REINSTATE-  
20 MENT UNDER THIS ARTICLE OR ARTICLE 7. THE RULES MAY ALLOW THE  
21 DISCIPLINARY BOARD TO ORDER THE APPLICANT AS A CONDITION OF REIN-  
22 STATEMENT TO PAY THE REASONABLE COSTS OF THE INVESTIGATION AND  
23 HEARINGS THAT RESULTED IN THE REVOCATION.

24 (7) ~~(6)~~ An individual who seeks reinstatement ~~or~~  
25 ~~reclassification~~ of a license or registration pursuant to this  
26 section shall pay the application processing fee as a  
27 reinstatement ~~or reclassification~~ fee. If approved for

1 reinstatement, ~~or reclassification,~~ the individual shall pay  
2 the per year license or registration fee for the applicable  
3 license or registration period.

4       Sec. 16247. (1) A LICENSURE board may reinstate a license  
5 ~~or issue a limited license~~ to an individual whose license has  
6 been suspended or revoked under this part if ~~—~~ after a hearing  
7 ~~—~~ the LICENSURE board is satisfied that the applicant is of  
8 good moral character, is able to practice the profession with  
9 reasonable skill and safety to patients, HAS MET THE CRITERIA IN  
10 THE RULES PROMULGATED UNDER SECTION 16245(6), and should be per-  
11 mitted in the public interest to resume practice. As a condition  
12 of reinstatement, the DISCIPLINARY board, UPON THE RECOMMENDATION  
13 OF A LICENSURE BOARD, may impose a disciplinary or corrective  
14 measure authorized under this part and require that the licensee  
15 attend a school or program selected by the LICENSURE board to  
16 take designated courses or training to become competent or profi-  
17 cient in those areas of practice in which the LICENSURE board  
18 finds the licensee to be deficient. The LICENSURE board may  
19 require a statement on a form approved by it from the chief  
20 administrator of the school or program attended or the person  
21 responsible for the training certifying that the licensee has  
22 achieved the required competency or proficiency.

23       (2) A LICENSURE BOARD SHALL NOT REINSTATE A license sus-  
24 pended or revoked for grounds stated in section 16221(b)(i),  
25 (iii), or (iv) ~~shall not be reinstated until the board~~ UNTIL IT  
26 finds that the licensee has become mentally or physically able to  
27 practice with reasonable skill and safety to patients. The

1 LICENSURE board may conduct further examination of the licensee,  
2 at the licensee's expense, necessary to verify that the licensee  
3 has become mentally or physically able. A licensee affected by  
4 this section shall be afforded the opportunity at reasonable  
5 intervals to demonstrate that he or she can resume competent  
6 practice in accordance with standards of acceptable and prevail-  
7 ing practice.

8       Sec. 16248. A LICENSURE board may reinstate a registration  
9 revoked or suspended under this part if, after a hearing, ~~the~~  
10 ~~board~~ IT is satisfied that the individual is of good moral char-  
11 acter, has the education and experience as required in this arti-  
12 cle, HAS MET THE CRITERIA IN THE RULES PROMULGATED UNDER SECTION  
13 16245(6), and ~~that the individual~~ will use the title lawfully  
14 and act in accordance with this article.

15       Sec. 16249. ~~A~~ THE DISCIPLINARY board may reclassify a  
16 license ~~limited~~ RESTRICTED under this part to alter or remove  
17 the ~~limitations~~ RESTRICTIONS if, after a hearing, ~~the board~~  
18 IT is satisfied that the applicant will practice the profession  
19 safely and competently within the area of practice and under con-  
20 ditions stipulated by the DISCIPLINARY board, and should be per-  
21 mitted in the public interest to so practice. The DISCIPLINARY  
22 board may require the submission of information necessary to make  
23 the determination required for reclassification. As a condition  
24 of reclassification, the DISCIPLINARY board may require that the  
25 licensee take an examination or attend a school or program  
26 selected by the DISCIPLINARY board to take designated courses or  
27 training to become competent in those areas of practice the



1 DISCIPLINARY board determines necessary for reclassification.  
2 The DISCIPLINARY board may require a statement on a form approved  
3 by it from the chief administrator of the school or program  
4 attended or the person responsible for the training certifying  
5 that the licensee has achieved the required competency.

6       Sec. 16261. (1) A person who is not licensed or registered  
7 under this article shall not use an insignia, title, or letter,  
8 or a word, letter, or phrase singly or in combination, with or  
9 without qualifying words, letters, or phrases, under a circum-  
10 stance to induce the belief that the person is licensed or regis-  
11 tered in this state, is lawfully entitled in this state to engage  
12 in the practice of a profession regulated by this article, or is  
13 otherwise in compliance with this article.

14       (2) An individual shall not announce or hold himself or her-  
15 self out to the public as limiting his or her practice to, as  
16 being specially qualified in, or as giving particular attention  
17 to a health profession specialty field for which a LICENSURE  
18 board issues a specialty certification, without first having  
19 obtained a specialty certification.

20       Sec. 16291. (1) Upon a violation of this article or of a  
21 rule or order of a LICENSURE board, THE DISCIPLINARY BOARD, or  
22 the department, the circuit court for the county in which the  
23 violation occurs may restrain and enjoin a person from the  
24 violation. A LICENSURE board, THE DISCIPLINARY BOARD, or THE  
25 department shall seek injunctive relief through the attorney gen-  
26 eral or the prosecuting attorney of the county in which the  
27 violation occurs. This proceeding may be in addition to and is

1 not in lieu of a criminal prosecution or proceeding as to a  
2 license or registration.

3 (2) The department, ~~or~~ a LICENSURE board, or ~~both,~~ THE  
4 DISCIPLINARY BOARD may request the attorney general or prosecut-  
5 ing attorney to prosecute a person violating this article. The  
6 attorney general or the prosecuting attorney may prosecute a vio-  
7 lation of this article.

8 Sec. 16294. Except as provided in section 16215, an indi-  
9 vidual ~~—~~ who practices or holds himself or herself out as prac-  
10 ticing a health profession regulated by this article ~~—~~ without  
11 a license or under a suspended, revoked, EXPIRED, or fraudulently  
12 obtained license, or outside the provisions of a limited license,  
13 or who uses as his or her own the license of another person, is  
14 guilty of a felony.

15 Sec. 16648. (1) Information relative to the care and treat-  
16 ment of a dental patient acquired as a result of providing pro-  
17 fessional dental services shall be confidential and privileged.  
18 Except with the written consent of the patient or the patient's  
19 attorney in fact or personal representative, a dentist or a  
20 person employed by the dentist shall not disclose or be required  
21 to disclose that information.

22 (2) This section does not prohibit disclosure of the infor-  
23 mation described in subsection (1) in the following instances:

24 (a) Disclosure as part of the defense to a claim in a court  
25 or administrative agency challenging the dentist's professional  
26 competence.

1 (b) Disclosure pursuant to Act No. 270 of the Public Acts of  
2 1967, being sections 331.531 to 331.533 of the Michigan Compiled  
3 Laws.

4 (c) Disclosure in relation to a claim for payment of fees.

5 (d) Disclosure to a third party payer of information relat-  
6 ing to fees for services in the course of a good faith examina-  
7 tion of the dentist's records to determine the amount and cor-  
8 rectness of fees or the type and volume of services furnished  
9 pursuant to provisions for payment established by a third party  
10 payer, or information required for a third party payer's prede-  
11 terminations, post treatment reviews, or audits. For purposes of  
12 this subdivision, "third party payer" includes a nonprofit dental  
13 care corporation, ~~nonprofit hospital service corporation, non-~~  
14 ~~profit medical care corporation,~~ nonprofit health care corpora-  
15 tion, insurer, benefit fund, health maintenance organization, and  
16 a dental capitation plan.

17 (e) Disclosure, pursuant to a court order, to a police  
18 agency as part of a criminal investigation.

19 (f) Disclosure as provided in section 2844a.

20 (G) DISCLOSURE MADE PURSUANT TO SECTION 16222 IF THE  
21 LICENSEE REASONABLY BELIEVES IT IS NECESSARY TO DISCLOSE THE  
22 INFORMATION TO COMPLY WITH SECTION 16222.

23 Sec. 17011. (1) A person shall not engage in the practice  
24 of medicine or practice as a physician's assistant unless  
25 licensed or otherwise authorized by this article.

26 (2) Notwithstanding the provisions of section 16145, or  
27 rules promulgated pursuant to that section, the board may issue a

1 license to an individual who meets the requirements of section  
2 16186, without examination, after reviewing the applicant's  
3 record of practice, experience, and credentials and determining  
4 that the applicant is competent to practice the health profession  
5 for which the applicant is seeking licensure.

6 (3) FOR INDIVIDUALS APPLYING FOR LICENSURE UNDER  
7 SECTION 16186, THE BOARD SHALL NOT IMPOSE REQUIREMENTS ON GRADU-  
8 ATES OF MEDICAL SCHOOLS LOCATED OUTSIDE THE UNITED STATES OR THE  
9 DOMINION OF CANADA THAT EXCEED THE REQUIREMENTS IMPOSED ON GRADU-  
10 ATES OF MEDICAL SCHOOLS LOCATED IN THE UNITED STATES OR THE  
11 DOMINION OF CANADA.

12 Sec. 17050. The DISCIPLINARY board may revoke or suspend  
13 an approval and may place on probation or reprimand a licensee  
14 who holds an approval issued under this part for any of the  
15 grounds set forth in section 16221 or for failure to supervise a  
16 physician's assistant in accordance with this part and rules  
17 promulgated under this part.

18 Sec. 17086. (1) The ~~task force~~ DEPARTMENT may ~~cause to~~  
19 ~~be investigated~~ INVESTIGATE information received BY THE  
20 DEPARTMENT concerning the practice of a physician's assistant.  
21 ~~The task force shall be notified of a complaint against an indi-~~  
22 ~~vidual licensed under its direction in the manner prescribed in~~  
23 ~~section 16231 and shall have the authority concerning a complaint~~  
24 ~~as prescribed in that section. The task force may direct the~~  
25 DISCIPLINARY board ~~to~~ MAY deny, suspend, limit, or revoke a  
26 license, or reprimand or place on probation, or otherwise

1 discipline a physician's assistant for a cause described in  
2 section 16221.

3 (2) The ~~task force may direct a~~ DISCIPLINARY board ~~to~~  
4 MAY deny, suspend, limit, or revoke a license or renewal upon a  
5 determination by the ~~task force~~ DISCIPLINARY BOARD that a  
6 physician's assistant has departed from or failed to conform to  
7 minimal standards of acceptable and prevailing practice ~~—~~ for  
8 the supervising physician. In a situation where incompetency is  
9 charged or presumed, the ~~task force~~ DISCIPLINARY BOARD OR A  
10 REGIONAL DISCIPLINARY PANEL may require an examination to deter-  
11 mine the individual's competence. The examination may include  
12 practical tests, working operations, and demonstrations.

13 (3) The ~~task force~~ DISCIPLINARY BOARD OR A REGIONAL DISCI-  
14 PLINARY PANEL, upon probable cause, may compel a physician's  
15 assistant to submit to a mental or physical examination by physi-  
16 cians designated by the ~~task force~~ DISCIPLINARY BOARD OR A  
17 REGIONAL DISCIPLINARY PANEL, at the expense of the department,  
18 when it is determined relevant to the verification of the  
19 individual's fitness to practice. Failure of a physician's  
20 assistant to submit to a mental or physical examination when  
21 directed constitutes an admission of the allegations unless the  
22 failure is due to circumstances beyond his or her control, and a  
23 default and final order may be entered without the taking of tes-  
24 timony or presentation of evidence. A physician's assistant  
25 affected under this subsection shall be afforded an opportunity  
26 at reasonable intervals to demonstrate that he or she can resume  
27 the competent practice as a physician's assistant in compliance

1 with standards of acceptable and prevailing practice. For the  
2 purposes of this subsection, a physician's assistant licensed  
3 under this part who accepts the privilege of practicing as a  
4 physician's assistant in this state, and by so practicing or by  
5 the making and filing of an application to practice as a  
6 physician's assistant in this state, is considered to have given  
7 his or her consent to submit to a mental or physical examination  
8 when directed to do so in writing by the ~~task force~~  
9 DISCIPLINARY BOARD OR A REGIONAL DISCIPLINARY PANEL, and to have  
10 waived all objections to the admissibility of the testimony or  
11 examination reports of the examining physician on the ground that  
12 testimony or reports constitute a privileged communication.

13 (4) Before the ~~task force~~ DISCIPLINARY BOARD takes or  
14 causes action under this section, the physician's assistant shall  
15 be given an opportunity for a hearing.

16 ~~(5) The task force may delegate determination of a con-~~  
17 ~~tested case to a hearing examiner, whose decision shall consti-~~  
18 ~~tute final administrative action, unless the task force autho-~~  
19 ~~rizes a review.~~

20 Sec. 17088. (1) ~~An~~ THE TASK FORCE SHALL NOT ACCEPT AN  
21 application for reinstatement of a revoked license ~~may be made~~  
22 ~~to the task force not less than~~ WITHIN 3 years after the effec-  
23 tive date of the revocation. IN CASE OF A LICENSE THAT WAS  
24 REVOKED FOR A VIOLATION OF SECTION 16221(B)(vii) OR A VIOLATION  
25 OF SECTION 16221(C)(iv) CONSISTING OF A FELONY CONVICTION, THE  
26 TASK FORCE SHALL NOT ACCEPT AN APPLICATION FOR REINSTATEMENT  
27 WITHIN 5 YEARS AFTER THE EFFECTIVE DATE OF THE REVOCATION. An

1 application for reinstatement of a suspended license ~~or~~  
2 ~~reclassification of a limited license~~ may be made at a time  
3 fixed by the task force.

4 (2) The ~~task force~~ DISCIPLINARY BOARD may ~~direct a board~~  
5 ~~to~~ issue a license with any ~~limitations~~ RESTRICTIONS the ~~task~~  
6 ~~force~~ DISCIPLINARY BOARD determines are appropriate, if, after a  
7 hearing, the task force is satisfied that the applicant is of  
8 good moral character, is able to provide medical care services  
9 under the supervision of an approved physician in a safe and com-  
10 petent fashion, and should be permitted in the public interest to  
11 resume practice. As a condition to the reinstatement or reclas-  
12 sification, the ~~task force~~ DISCIPLINARY BOARD may impose cor-  
13 rective measures including additional education or training or  
14 special supervision.

15 Sec. 17550. The DISCIPLINARY board may revoke or suspend  
16 an approval and may place on probation or reprimand a licensee  
17 who holds an approval issued under this part for any of the  
18 grounds set forth in section 16221 or for failure to supervise a  
19 physician's assistant in accordance with this part and rules  
20 promulgated under this part.

21 Sec. 17763. In addition to the grounds set forth in part  
22 161, the DISCIPLINARY board may fine, reprimand, or place a phar-  
23 macist licensee on probation, or deny, ~~limit~~ RESTRICT, suspend,  
24 or revoke the license of a pharmacist for a violation or abetting  
25 in a violation of this part or rules promulgated under this part,  
26 or for any of the following grounds:

1 (a) Employing the mail to sell, distribute, or deliver a  
2 drug which requires a prescription when the prescription for the  
3 drug is received by mail.

4 (b) Adulterating, misbranding, or substituting a drug or  
5 device knowing or intending that it shall be used.

6 (c) Permitting the dispensing of prescriptions by an indi-  
7 vidual who is not a pharmacist, pharmacist intern, or dispensing  
8 prescriber.

9 (d) Permitting the dispensing of prescriptions by a pharma-  
10 cist intern, except in the presence and under the personal charge  
11 of a pharmacist.

12 (e) Selling at auction drugs in bulk or in open packages  
13 unless the sale has been approved in accordance with rules of the  
14 board.

15 (f) Promoting to the public in any manner a prescription  
16 drug.

17 Sec. 17767. ~~(1)~~ The board may promulgate rules and make  
18 determinations necessary or appropriate to the licensing of phar-  
19 macists, drugs, dispensers, manufacturers, and wholesalers under  
20 this part.

21 ~~(2) The board may conduct investigations and inspect places~~  
22 ~~licensed by this part to insure compliance with this part and~~  
23 ~~rules promulgated pursuant to this part.~~

24 Sec. 17768. (1) In a manner consistent with part 161, the  
25 DISCIPLINARY board may fine, reprimand, or place on probation, a  
26 person licensed under this part, or deny, ~~limit~~ RESTRICT,



1 suspend, or revoke a person's license for a violation of this  
2 part or rules promulgated under this part.

3       (2) In addition to the grounds set forth in subsection (1),  
4 and in a manner consistent with part 161, the DISCIPLINARY board  
5 may fine, reprimand, or place on probation a person licensed  
6 under this part, or deny, limit, suspend, or revoke a license  
7 issued under this part if the DISCIPLINARY board finds that any  
8 of the following categories apply to an applicant or a partner,  
9 officer, or member of the board of directors of a pharmacy, manu-  
10 facturer, or wholesale distributor licensed under this part or a  
11 stockholder of a pharmacy, manufacturer, or wholesale distributor  
12 which is a privately held corporation licensed under this part:

13       (a) The applicant or other person described in this subsec-  
14 tion lacks good moral character.

15       (b) The applicant or other person described in this subsec-  
16 tion has been convicted of a misdemeanor or a felony under a  
17 state or federal law relating to a controlled substance or the  
18 practice of pharmacy.

19       (c) The applicant or other person described in this subsec-  
20 tion has furnished false or fraudulent material information or  
21 has knowingly omitted material information in an application  
22 filed under this part.

23       (d) The applicant or other person described in this subsec-  
24 tion has previously maintained a financial interest in a pharma-  
25 cy, manufacturer, or wholesale distributor which has been denied  
26 a license or federal registration, has had its license or federal

1 registration limited, suspended, or revoked, or been subject to  
2 any other criminal, civil, or administrative penalty.

3 (e) The applicant or other person described in this subsec-  
4 tion is not in compliance with article 7 or the rules promulgated  
5 under article 7.

6 (3) Except for a conviction for a misdemeanor under section  
7 7404 (2)(d) or a local ordinance that is substantially similar to  
8 section 7404 (2)(d), subsection (2)(b) applies only to a convic-  
9 tion for a misdemeanor which is directly related to the manufac-  
10 ture, delivery, possession, possession with intent to manufacture  
11 or deliver, use, distribution, prescription, or dispensing of a  
12 controlled substance. Subsection (2)(b) does not apply to a con-  
13 viction for a misdemeanor based upon an unintentional error or  
14 omission involving a clerical or record-keeping function.

15 Sec. 18117. For the purposes of this part, the confidential  
16 relations and communications between a licensed professional  
17 counselor or a limited licensed counselor and a client of the  
18 licensed professional counselor or a limited licensed counselor  
19 are privileged communications, and nothing in this part shall  
20 require any privileged communication to be disclosed, except as  
21 otherwise provided by law. Confidential information may be dis-  
22 closed only upon consent of the client OR PURSUANT TO  
23 SECTION 16222 IF THE LICENSEE REASONABLY BELIEVES IT IS NECESSARY  
24 TO DISCLOSE THE INFORMATION TO COMPLY WITH SECTION 16222.

25 Sec. 18237. A psychologist licensed or allowed to use the  
26 title under this part or individual under his or her supervision  
27 shall not be compelled to disclose confidential information

1 acquired from an individual consulting the psychologist in his or  
2 her professional capacity and which information is necessary to  
3 enable the psychologist to render services. Information may be  
4 disclosed with the consent of the individual consulting, or if  
5 the individual consulting is a minor, with the consent of the  
6 minor's guardian, OR PURSUANT TO SECTION 16222 IF THE PSYCHOLO-  
7 GIST REASONABLY BELIEVES IT IS NECESSARY TO DISCLOSE THE INFORMA-  
8 TION TO COMPLY WITH SECTION 16222. In a contest on the admission  
9 of a deceased individual's will to probate, an heir at law of the  
10 decedent, whether a proponent or contestant of the will, and the  
11 personal representative of the decedent may waive the privilege  
12 created by this section.

13       Sec. 18835. In addition to the grounds set forth in part  
14 161, the DISCIPLINARY board may fine, reprimand, or place a  
15 licensee on probation, or deny, ~~limit~~ RESTRICT, suspend, or  
16 revoke the license of a veterinarian for fraudulent use or misuse  
17 of a health certificate, inspection certificate, vaccination cer-  
18 tificate, test chart, meat inspection stamp, or other blank form  
19 used in the practice of veterinary medicine that might lead to  
20 the dissemination of disease, unlawful transportation of diseased  
21 animals, or the sale of inedible products of animal origin for  
22 human consumption.

23       Sec. 20175. (1) A health facility or agency shall keep and  
24 maintain a record for each patient including a full and complete  
25 record of tests and examinations performed, observations made,  
26 treatments provided, and in the case of a hospital, the purpose  
27 of hospitalization. In addition to the sanctions set forth in

1 section 20165, a hospital ~~which~~ THAT fails to comply with this  
2 subsection ~~shall be~~ IS subject to a civil fine of \$10,000.00.

3 (2) A hospital shall take precautions to assure that the  
4 records required by subsection (1) are not wrongfully altered or  
5 destroyed. A hospital ~~which~~ THAT fails to comply with this  
6 subsection ~~shall be~~ IS subject to a civil fine of \$10,000.00.

7 (3) Unless otherwise provided by law, the licensing and cer-  
8 tification records required by this article are public records.

9 (4) Departmental officers and employees shall respect the  
10 confidentiality of patient clinical records and shall not divulge  
11 or disclose the contents of records in a manner ~~which~~ THAT  
12 identifies an individual except ~~on~~ PURSUANT TO court order.

13 (5) A health facility or agency ~~with a medical staff~~ THAT  
14 EMPLOYS OR CONTRACTS WITH A HEALTH PROFESSIONAL LICENSED OR REG-  
15 ISTERED UNDER ARTICLE 15 shall report to the ~~appropriate licens-~~  
16 ~~ing board and to the~~ department not more than 30 days after any  
17 disciplinary action has been taken against a ~~member of the medi-~~  
18 ~~cal staff~~ HEALTH PROFESSIONAL LICENSED OR REGISTERED UNDER ARTI-  
19 CLE 15 AND EMPLOYED BY OR UNDER CONTRACT TO THE HEALTH FACILITY  
20 OR AGENCY, and the relevant circumstances, for any of the grounds  
21 set forth in section 16221.

22 (6) UPON REQUEST BY ANOTHER HEALTH FACILITY OR AGENCY SEEK-  
23 ING A REFERENCE FOR PURPOSES OF GRANTING STAFF PRIVILEGES, CRE-  
24 DENTIALS, OR EMPLOYMENT, A HEALTH FACILITY OR AGENCY THAT EMPLOYS  
25 OR CONTRACTS WITH HEALTH PROFESSIONALS LICENSED OR REGISTERED  
26 UNDER ARTICLE 15 SHALL NOTIFY THE REQUESTING HEALTH FACILITY OR  
27 AGENCY OF ANY DISCIPLINARY ACTION THAT IT HAS TAKEN AGAINST A

1 HEALTH PROFESSIONAL LICENSED OR REGISTERED UNDER ARTICLE 15, AND  
2 EMPLOYED BY OR UNDER CONTRACT TO THE HEALTH FACILITY OR AGENCY,  
3 AND THE RELEVANT CIRCUMSTANCES, FOR ANY OF THE GROUNDS SET FORTH  
4 IN SECTION 16221.

5 (7) UPON REQUEST BY THE DISCIPLINARY BOARD OR THE DEPART-  
6 MENT, A HEALTH FACILITY OR AGENCY THAT EMPLOYS OR CONTRACTS WITH  
7 HEALTH PROFESSIONALS LICENSED OR REGISTERED UNDER ARTICLE 15 THAT  
8 HAS TAKEN DISCIPLINARY ACTION AGAINST A HEALTH PROFESSIONAL  
9 LICENSED OR REGISTERED UNDER ARTICLE 15 AND EMPLOYED BY OR UNDER  
10 CONTRACT TO THE HEALTH FACILITY OR AGENCY FOR ANY OF THE GROUNDS  
11 SET FORTH IN SECTION 16221 AND THAT ASSIGNS A PROFESSIONAL REVIEW  
12 FUNCTION TO AN INDIVIDUAL OR COMMITTEE SHALL ASSIST THE DISCI-  
13 PLINARY BOARD OR THE DEPARTMENT IN OBTAINING INFORMATION PERTAIN-  
14 ING TO THE DISCIPLINARY ACTION.

15 (8) IF A PHYSICIAN LICENSED UNDER PART 170 OR 175 IS  
16 EMPLOYED BY OR UNDER CONTRACT TO A HOSPITAL AND IF THE  
17 PHYSICIAN'S LICENSE IS REVOKED OR SUSPENDED UNDER THIS ARTICLE,  
18 THE HOSPITAL SHALL NOTIFY IN WRITING EACH PATIENT TO WHOM THE  
19 PHYSICIAN RENDERED SERVICES WITHIN THE YEAR IMMEDIATELY PRECEDING  
20 THE EFFECTIVE DATE OF THE REVOCATION OR SUSPENSION. THE NOTICE  
21 SHALL STATE, AT A MINIMUM, THE NAME, ADDRESS, AND LICENSE NUMBER  
22 OF THE PHYSICIAN, THE FACT THAT HIS OR HER LICENSE HAS BEEN  
23 REVOKED OR SUSPENDED, THE EFFECTIVE DATE OF THE REVOCATION OR  
24 SUSPENSION, AND THE TERM OF THE REVOCATION OR SUSPENSION. THE  
25 HOSPITAL SHALL SEND THE NOTICE WITHIN 30 DAYS AFTER THE EFFECTIVE  
26 DATE OF THE REVOCATION OR SUSPENSION AND SHALL SIMULTANEOUSLY  
27 TRANSMIT A COPY OF THE NOTICE TO THE DEPARTMENT.

1       (9) ~~(6) The~~ SUBJECT TO SUBSECTION (7), THE records, data,  
2 and knowledge collected for or by individuals or committees  
3 assigned a professional review function in a health facility or  
4 agency are confidential, shall be used only for the purposes pro-  
5 vided in this article, are not public records, and are not  
6 subject to court subpoena.

7       SEC. 20176A. (1) A HEALTH FACILITY OR AGENCY SHALL NOT DIS-  
8 CHARGE OR DISCIPLINE, THREATEN TO DISCHARGE OR DISCIPLINE, OR  
9 OTHERWISE DISCRIMINATE AGAINST AN EMPLOYEE REGARDING THE  
10 EMPLOYEE'S COMPENSATION, TERMS, CONDITIONS, LOCATION, OR PRIVI-  
11 LEGES OF EMPLOYMENT BECAUSE THE EMPLOYEE OR AN INDIVIDUAL ACTING  
12 ON BEHALF OF THE EMPLOYEE DOES EITHER OR BOTH OF THE FOLLOWING:

13       (A) IN GOOD FAITH REPORTS OR INTENDS TO REPORT, VERBALLY OR  
14 IN WRITING, THE MALPRACTICE OF A HEALTH PROFESSIONAL OR A VIOLA-  
15 TION OF ARTICLE 15 OR A RULE PROMULGATED UNDER ARTICLE 15.

16       (B) ACTS AS AN EXPERT WITNESS IN A CIVIL ACTION INVOLVING  
17 MEDICAL MALPRACTICE.

18       (2) IN ADDITION TO THE SANCTIONS SET FORTH IN SECTION 20165,  
19 A HEALTH FACILITY OR AGENCY THAT VIOLATES SUBSECTION (1) IS  
20 SUBJECT TO AN ADMINISTRATIVE FINE OF NOT MORE THAN \$10,000.00 FOR  
21 EACH VIOLATION.

22       SEC. 20194. (1) A HEALTH FACILITY OR AGENCY, EXCEPT A  
23 HEALTH FACILITY OR AGENCY LICENSED UNDER PART 207, SHALL CONSPIC-  
24 UOUSLY DISPLAY IN THE PATIENT WAITING AREAS OR OTHER COMMON AREAS  
25 OF THE HEALTH FACILITY OR AGENCY A SIGN OUTLINING THE PROCEDURE  
26 FOR FILING A COMPLAINT AGAINST THE HEALTH FACILITY OR AGENCY WITH  
27 THE DEPARTMENT OF PUBLIC HEALTH AND A SIGN OUTLINING THE

1 PROCEDURE FOR FILING A COMPLAINT AGAINST A LICENSEE EMPLOYED BY,  
2 UNDER CONTRACT TO, OR PRACTICING IN THE HEALTH FACILITY OR AGENCY  
3 WITH THE DEPARTMENT OF LICENSING AND REGULATION. THE SIGN PER-  
4 TAINING TO COMPLAINTS AGAINST HEALTH FACILITIES OR AGENCIES SHALL  
5 BE PROVIDED BY THE DEPARTMENT OF PUBLIC HEALTH. THE SIGN PER-  
6 TAINING TO COMPLAINTS AGAINST LICENSEES SHALL BE PROVIDED BY THE  
7 DEPARTMENT OF LICENSING AND REGULATION. THE SPECIFIC WORDING AND  
8 DIMENSIONS OF THE SIGN SHALL BE PRESCRIBED BY THE DEPARTMENT OF  
9 PUBLIC HEALTH AND THE DEPARTMENT OF LICENSING AND REGULATION,  
10 RESPECTIVELY. THE DEPARTMENT OF PUBLIC HEALTH AND THE DEPARTMENT  
11 OF LICENSING AND REGULATION SHALL PRINT THE SIGN IN LANGUAGES  
12 THAT ARE APPROPRIATE TO THE ETHNIC COMPOSITION OF THE PATIENT  
13 POPULATION WHERE THE SIGN WILL BE DISPLAYED.

14 (2) A HEALTH FACILITY OR AGENCY, EXCEPT A HEALTH FACILITY OR  
15 AGENCY LICENSED UNDER PART 207, SHALL CONSPICUOUSLY DISPLAY IN  
16 THE PATIENT WAITING AREAS OR OTHER COMMON AREAS OF THE HEALTH  
17 FACILITY OR AGENCY A PAMPHLET OUTLINING THE PROCEDURE FOR FILING  
18 A COMPLAINT AGAINST A HEALTH FACILITY OR AGENCY WITH THE DEPART-  
19 MENT OF PUBLIC HEALTH AND A PAMPHLET OUTLINING THE PROCEDURE FOR  
20 FILING A COMPLAINT AGAINST A LICENSEE EMPLOYED BY, UNDER CONTRACT  
21 TO, OR PRACTICING IN THE HEALTH FACILITY OR AGENCY WITH THE  
22 DEPARTMENT OF LICENSING AND REGULATION. THE PAMPHLET PERTAINING  
23 TO COMPLAINTS AGAINST HEALTH FACILITIES OR AGENCIES SHALL BE PRE-  
24 PARED AND PROVIDED BY THE DEPARTMENT OF PUBLIC HEALTH. THE PAM-  
25 PHLET PERTAINING TO COMPLAINTS AGAINST LICENSEES SHALL BE PRE-  
26 PARED AND PROVIDED BY THE DEPARTMENT OF LICENSING AND  
27 REGULATION. THE DEPARTMENT OF PUBLIC HEALTH AND THE DEPARTMENT

1 OF LICENSING AND REGULATION, RESPECTIVELY, SHALL PRINT THE  
2 PAMPHLETS IN LANGUAGES THAT ARE APPROPRIATE TO THE ETHNIC COMPO-  
3 SITION OF THE PATIENT POPULATION WHERE THE PAMPHLET WILL BE  
4 DISPLAYED.

5       Sec. 21513. The owner, operator, and governing body of a  
6 hospital licensed under this article:

7       (a) Are responsible for all phases of the operation of the  
8 hospital, selection of the medical staff, and quality of care  
9 rendered in the hospital.

10       (b) Shall cooperate with the department in the enforcement  
11 of this part, and require that the physicians, dentists, and  
12 other personnel working in the hospital and for whom a license or  
13 registration is required be currently licensed or registered.

14       (c) Shall assure that physicians and dentists admitted to  
15 practice in the hospital are granted hospital privileges consis-  
16 tent with their individual training, experience, and other  
17 qualifications.

18       (d) Shall assure that physicians and dentists admitted to  
19 practice in the hospital are organized into a medical staff to  
20 enable an effective review of the professional practices in the  
21 hospital for the purpose of reducing morbidity and mortality and  
22 improving the care provided in the hospital for patients. This  
23 review shall include the quality and necessity of the care pro-  
24 vided and the preventability of complications and deaths occur-  
25 ring in the hospital.

26       (e) Shall notify the ~~appropriate board~~ DEPARTMENT OF  
27 LICENSING AND REGULATION as to disciplinary action taken by the



1 hospital for any of the grounds set forth in section 16221  
2 ~~which~~ THAT results in a change of employment status or privi-  
3 leges of practice of a ~~physician or dentist~~ HEALTH PROFESSIONAL  
4 LICENSED OR REGISTERED UNDER ARTICLE 15 WHO IS EMPLOYED BY OR  
5 UNDER CONTRACT TO THE HOSPITAL OR admitted to practice in the  
6 hospital, including an offer by the hospital to permit the  
7 ~~physician or dentist~~ HEALTH PROFESSIONAL to resign ~~in lieu~~  
8 INSTEAD of the hospital taking disciplinary action against the  
9 ~~physician or dentist~~ HEALTH PROFESSIONAL. The notice shall  
10 contain a summary of the information pertinent to the change and  
11 shall be transmitted in writing to the ~~appropriate board~~  
12 DEPARTMENT OF LICENSING AND REGULATION within 30 days after the  
13 change occurs. ~~As used in this subdivision, "board" means a~~  
14 ~~licensing board created pursuant to article 15.~~

15 (F) SHALL NOTIFY THE DEPARTMENT OF LICENSING AND REGULATION  
16 IN WRITING WITHIN 30 DAYS AFTER RECEIVING NOTIFICATION THAT THE  
17 HOSPITAL HAS BEEN NAMED AS A DEFENDANT IN AN ACTION FOR  
18 MALPRACTICE.

19 (G) ~~(f)~~ Shall not discriminate because of race, religion,  
20 color, national origin, age, or sex in the operation of the hos-  
21 pital including employment, patient admission and care, room  
22 assignment, and professional or nonprofessional selection and  
23 training programs, and shall not discriminate in the selection  
24 and appointment of individuals to the physician staff of the hos-  
25 pital or its training programs on the basis of licensure or reg-  
26 istration or professional education as doctors of medicine,  
27 osteopathic medicine and surgery, or podiatry.