MICHIGAN HEALTH & HOSPITAL ASSOCIATION

Advocating for hospitals and the patients they serve.

TO: Members of the House Health Policy Committee

FROM: Chris Mitchell, Director, Government Relations

DATE: September 15, 2011

SUBJECT: Public Hospital Board of Trustees Appointments – Senate Bill 374

MHA Position: **SUPPORT**

The Michigan Health & Hospital Association (MHA) supports Senate Bill 374, sponsored by Sen. John Moolenaar (R-Midland), which would amend the Municipal Health Facilities Corporations Act to revise the procedure for filling positions on the board of a municipal health facility. This bill would positively impact 12 public hospitals that are governed by cities, counties and villages in Michigan.

Currently, when there is an opening on a public hospital's board of trustees, the hospital's Chief Executive Officer (CEO) is required by law to submit three qualified nominees to governing body of a city, county or village. From this group of qualified nominees, it is up to the governing body to select the candidate. If none of the nominees are selected, this process is repeated with three new qualified nominees. In every instance, this selection process rejects at a minimum, two otherwise qualified candidates. This process can be onerous and can potentially make qualified candidates hesitant to put their name forward for future openings on the hospital board. This can make the board selection process difficult, particularly for hospitals located in rural communities where the number of qualified nominees is limited by its sparse population.

The bill retains the requirement that the governing body of a city, county or village appoints the initial members of the board of trustees but removes the process involving the nomination of members to fill vacancies. Under the bill, remaining hospital board members would be required to fill the vacancy with the advice and consent of the local governing body. The requirement to submit three qualified nominees would be eliminated.

The MHA believes SB 374 benefits public hospitals and retains the current governing powers for city, counties and villages in the hospital board of trustees' selection process while keeping the largest pool of qualified candidates possible moving forward. **We urge you to support Senate Bill 374 and help simplify the board selection process for public hospitals across the state.**

Please contact Chris Mitchell (cmitchell@mha.org) at (517) 703-8622 at the MHA if you have further questions on this issue.

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