

HOUSE BILL No. 5054

September 20, 2001, Introduced by Reps. Schermesser, Basham, Wojno, Gielegem, Lockwood, Minore, Bovin, Spade, Plakas, Dennis and Lemmons and referred to the Committee on Senior Health, Security and Retirement.

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

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

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

1 (f) Section 21791.

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

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

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

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

19 (b) \$15.00 per patient bed.

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

1 24, 1976 report of the committee recommending appropriate changes
2 in the procedures utilized.

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