

SENATE BILL No. 1217

May 13, 2004, Introduced by Senator GEORGE and referred to the Committee on Economic Development, Small Business and Regulatory Reform.

A bill to amend 1978 PA 368, entitled
"Public health code,"
by amending section 20162 (MCL 333.20162) and by adding section
20935.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 20162. (1) ~~Upon~~ **Beginning on the effective date of**
2 **the amendatory act that added section 20935, upon** a determination
3 that a health facility or agency is in compliance with this
4 article and the rules promulgated under this article, the
5 department shall issue ~~a~~ **an initial or renewal license within 6**
6 **months after receiving a complete application. If the**
7 **application is considered incomplete by the department, the**
8 **department shall notify the applicant in writing within 10 days**
9 **after receipt of the application, describing the deficiency and**
10 **how the applicant may remedy the deficiency. The 6-month time**

1 period is tolled from the date that the department notifies the
2 applicant of a deficiency until the date the department receives
3 the missing information to complete the application and remedy
4 the deficiency.

5 (2) Except as otherwise provided in this subsection, if the
6 department does not issue or deny a license within the time
7 period required by this section, the department shall return the
8 applicant's license fee and shall reduce the license fee for the
9 applicant's next licensure application, if any, by 15%. The
10 department shall not discriminate against an applicant in the
11 processing of the application based upon the fact that the
12 application fee was refunded or discounted under this subsection.
13 The department may issue a nonrenewable temporary permit for not
14 more than 6 months if additional time is needed to make a proper
15 investigation or to permit the applicant to undertake remedial
16 action related to operational or procedural deficiencies or items
17 of noncompliance. A temporary permit shall not be issued to
18 cover deficiencies in physical plant requirements.

19 (3) Except as provided in part 217, the department may issue
20 a provisional license for not more than 3 consecutive years to an
21 applicant who temporarily is unable to comply with the rules as
22 to the physical plant owned, maintained, or operated by a health
23 facility or agency except as otherwise provided in this article.
24 A provisional license shall not be issued to a new health
25 facility or agency or a facility or agency whose ownership is
26 transferred after ~~the effective date of this article~~ **September**
27 **30, 1978**, unless the facility or agency was licensed and

1 operating under this article or a prior law for not less than 5
2 years. Provisional licensure under acts repealed by this code
3 shall be counted against the 3-year maximum for licensure.

4 (4) The department, in order to protect the people of this
5 state, shall provide a procedure for the orderly closing of a
6 facility if it is unable to maintain its license under this
7 section.

8 (5) Except as provided in part 217, the department, upon
9 finding that a health facility or agency is not operating in
10 accord with the requirements of its license, may:

11 (a) Issue an order directing the licensee to:

12 (i) Discontinue admissions.

13 (ii) Transfer selected patients out of the facility.

14 (iii) Reduce its licensed capacity.

15 (iv) Comply with specific requirements for licensure or
16 certification as appropriate.

17 (b) Through the office of the attorney general, initiate
18 misdemeanor proceedings against the licensee as provided in
19 section 20199(1).

20 (6) An order issued under subsection (5) shall be governed
21 by the notice and hearing requirements of section 20168(1) and
22 the status requirements of section 20168(2).

23 (7) **Beginning January 31, 2005, the director of the**
24 **department shall submit a report by January 31 of each year to**
25 **the standing committees and appropriations subcommittees of the**
26 **senate and house of representatives concerned with public health**
27 **issues. The director shall include all of the following**

1 information in the report concerning the previous calendar year:

2 (a) The number of initial and renewal applications the
3 department received and completed within the 6-month time period
4 required under subsection (1) and the number of applications the
5 department did not process within that time period.

6 (b) The number of applications requiring a request for
7 additional information.

8 (c) The average time for an applicant to respond to a
9 request for additional information.

10 (d) The number of temporary permits issued under subsection
11 (2).

12 (e) The number of initial and renewal license applications
13 the department denied, reported in summary form in categories
14 describing the general reasons for denial.

15 (f) The amount of money returned to applicants under
16 subsection (2).

17 (g) The average processing time for initial and renewal
18 applications granted after the time period described in
19 subsection (1).

20 Sec. 20935. (1) Subject to subsection (3), beginning on the
21 effective date of the amendatory act that added this section, the
22 department shall approve or reject an initial or renewal license
23 application for an ambulance operation, nontransport prehospital
24 life support operation, aircraft transport operation, or medical
25 first response service within 6 months after receiving the proper
26 application and license fee as required under this part.

27 (2) If an initial or renewal license application for an

1 ambulance operation, nontransport prehospital life support
2 operation, aircraft transport operation, or medical first
3 response service is considered incomplete by the department, the
4 department shall notify the applicant in writing within 10 days
5 after receipt of the application, describing the deficiency and
6 how the applicant may remedy the deficiency.

7 (3) The 6-month time period described in subsection (1) is
8 tolled from the date that the department notifies the applicant
9 of a deficiency under subsection (2) until the date the
10 department receives the missing information or fees necessary to
11 complete the application and remedy the deficiency.

12 (4) If the department does not approve or reject an initial
13 or renewal license application within the time period required
14 under this section, the department shall return the applicant's
15 license fee and shall reduce the license fee for the applicant's
16 next licensure application, if any, by 15%. The department shall
17 not discriminate against an applicant in the processing of the
18 application based upon the fact that the application fee was
19 refunded or discounted under this subsection.

20 (5) Beginning January 31, 2005, the director of the
21 department shall submit a report by January 31 of each year to
22 the standing committees and appropriations subcommittees of the
23 senate and house of representatives concerned with public health
24 issues. The director shall include all of the following
25 information in the report concerning the previous calendar year:

26 (a) The number of initial and renewal applications the
27 department received and completed within the 6-month time period

1 required under subsection (1) and the number of applications the
2 department did not process within that time period.

3 (b) The number of applications requiring a request for
4 additional information.

5 (c) The average time for an applicant to respond to a
6 request for additional information.

7 (d) The number of initial and renewal license applications
8 the department denied, reported in summary form in categories
9 describing the general reasons for denial.

10 (e) The amount of money returned to applicants under
11 subsection (4).

12 (f) The average processing time for initial and renewal
13 applications granted after the time period described in
14 subsection (1).