

SENATE BILL NO. 181

February 24, 2021, Introduced by Senator VANDERWALL and referred to the Committee on Health Policy and Human Services.

A bill to amend 1978 PA 368, entitled "Public health code," by amending section 22203 (MCL 333.22203), as amended by 2002 PA 619.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 22203. (1) "Addition" means adding **to a health facility**
2 patient rooms, beds, and ancillary service areas, including, but

1 not limited to, procedure rooms or fixed equipment, surgical
 2 operating rooms, therapy rooms or fixed equipment, or other
 3 accommodations. ~~to a health facility.~~

4 (2) "Capital expenditure" means an expenditure for a single
 5 project, including cost of construction, engineering, and equipment
 6 that under generally accepted accounting principles is not properly
 7 chargeable as an expense of operation. Capital expenditure includes
 8 a lease or comparable arrangement by or on behalf of a health
 9 facility to obtain a health facility, licensed part of a health
 10 facility, or equipment for a health facility, if the actual
 11 purchase of a health facility, licensed part of a health facility,
 12 or equipment for a health facility would have been considered a
 13 capital expenditure under this part. Capital expenditure includes
 14 the cost of studies, surveys, designs, plans, working drawings,
 15 specifications, and other activities essential to the acquisition,
 16 improvement, expansion, addition, conversion, modernization, new
 17 construction, or replacement of physical plant and equipment.

18 (3) "Certificate of need" means a certificate issued under
 19 this part authorizing a new health facility, a change in bed
 20 capacity, the initiation, replacement, or expansion of a covered
 21 clinical service, or a covered capital expenditure that is issued
 22 in accordance with this part.

23 (4) "Certificate of need review standard" or "review standard"
 24 means a standard approved by the commission.

25 (5) "Change in bed capacity" means 1 or more of the following:

26 (a) An increase in licensed hospital beds.

27 (b) An increase in licensed nursing home beds or hospital beds
 28 certified for long-term care.

29 ~~(c) An increase in licensed psychiatric beds.~~

1 (c) ~~(d)~~—A change from 1 licensed use to a different licensed
2 use.

3 (d) ~~(e)~~—The physical relocation of beds from a licensed site
4 to another geographic location.

5 (6) "Clinical" means directly pertaining to the diagnosis,
6 treatment, or rehabilitation of an individual.

7 (7) "Clinical service area" means an area of a health
8 facility, including related corridors, equipment rooms, ancillary
9 service and support areas that house medical equipment, patient
10 rooms, patient beds, diagnostic, operating, therapy, or treatment
11 rooms or other accommodations related to the diagnosis, treatment,
12 or rehabilitation of individuals receiving services from the health
13 facility.

14 (8) "Commission" means the certificate of need commission
15 created under section 22211.

16 (9) "Covered capital expenditure" means a capital expenditure
17 of ~~\$2,500,000.00~~ **\$10,000,000.00** or more, as adjusted annually by
18 the department under section 22221(g), by a person for a health
19 facility for a single project, excluding the cost of nonfixed
20 medical equipment, that includes or involves the acquisition,
21 improvement, expansion, addition, conversion, modernization, new
22 construction, or replacement of a clinical service area.

23 (10) "Covered clinical service", except as modified by the
24 commission under section 22215, means 1 or more of the following:

25 (a) Initiation or expansion of 1 or more of the following
26 services:

27 (i) Neonatal intensive care services or special newborn nursing
28 services.

29 (ii) Open heart surgery.

1 (iii) Extrarenal organ transplantation.

2 (b) Initiation, replacement, or expansion of 1 or more of the
3 following services:

4 (i) Extracorporeal shock wave lithotripsy.

5 (ii) Megavoltage radiation therapy.

6 (iii) Positron emission tomography.

7 (iv) Surgical services provided in a freestanding surgical
8 outpatient facility, an ambulatory surgery center certified under
9 title XVIII, or a surgical department of a hospital licensed under
10 part 215 and offering inpatient or outpatient surgical services.

11 (v) Cardiac catheterization.

12 (vi) Fixed and mobile magnetic resonance imager services.

13 (vii) Fixed and mobile computerized tomography scanner
14 services.

15 (viii) ~~Air~~ **Until June 1, 2021, air** ambulance services.

16 ~~(c) Initiation or expansion of a specialized psychiatric~~
17 ~~program for children and adolescent patients utilizing licensed~~
18 ~~psychiatric beds.~~

19 **(c)** ~~(d)~~ Initiation, replacement, or expansion of a service not
20 listed in this subsection, but designated as a covered clinical
21 service by the commission under section 22215(1)(a).

22 (11) "Fixed equipment" means equipment that is affixed to and
23 constitutes a structural component of a health facility, including,
24 but not limited to, mechanical or electrical systems, elevators,
25 generators, pumps, boilers, and refrigeration equipment.

26 Enacting section 1. This amendatory act does not take effect
27 unless all of the following bills of the 101st Legislature are
28 enacted into law:

29 (a) Senate Bill No. 183.

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(b) Senate Bill No. 182.