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BILL ANALYSIS



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House Bill 5491 (Substitute S-3 as reported)
Sponsor: Representative Gerald Law
House Committee: Health Policy
Senate Committee: Health Policy and Senior Citizens

CONTENT

The bill would amend Article 17 of the Public Health Code, which governs health facilities and agencies, to exempt a hospice residence from the definition of "health facility or agency"; provide for the licensure of a hospice residence; and establish a fee of \$200 per license survey and \$20 per licensed bed for hospice residences. The bill is tie-barred to House Bill 5490, which also would amend Article 17, to exempt from the definition of "nursing home" a hospice residence licensed under Article 17, and a hospice certified under the applicable Federal regulation.

Under House Bill 5491 (S-3), "hospice residence" would mean a facility that provided 24-hour hospice care to two or more patients at a single location, and that provided either home care as described in Article 17, or inpatient care directly in compliance with Article 17 and with the standards set forth in the applicable Federal regulation (42 CFR 418.100). In addition, a hospice residence would have to be owned, operated, and governed by a hospice program that was licensed under Article 17 and provided aggregate days of patient care on a biennial basis to at least 51% of its hospice patients in their own homes. This reference to "home" would not include a residence established by a patient in a licensed health facility or agency, or a residence established by a patient in an adult foster care facility. (The Code defines "hospice" as a health care program that provides a coordinated set of services rendered at home or in outpatient or institutional settings for individuals suffering from a disease or condition with a terminal prognosis.)

The bill provides that a person could not represent itself as a hospice residence unless that person were licensed as a hospice residence by the Department of Community Health. Currently, a hospice must be licensed unless it provides services to not more than seven patients per month on a yearly average, does not charge or receive fees for goods or services provided, and does not receive third party reimbursement for goods or services provided. If a hospice provides inpatient services that meet the definition of hospital, nursing home, home for the aged, or county medical care facility, the hospice must obtain a separate license for that hospital, home, or facility. A hospital, nursing home, home for the aged, or county medical care facility that operates a hospice must be licensed as a hospice. Under the bill, a hospice also would have to obtain a separate license if it provided services that met the definition of hospice residence, and a hospital, nursing home, home for the aged, or county medical care facility would have to be licensed as a hospice residence if it operated a hospice residence.

MCL 333.20106 et al.

Legislative Analyst: G. Towne

FISCAL IMPACT

Please see **FISCAL IMPACT** on House Bill 5490.

Date Completed: 5-6-96

Fiscal Analyst: J. Walker
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