



Senate Fiscal Agency
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BILL  ANALYSIS

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Senate Bill 635 (as passed by the Senate)
Sponsor: Senator Bev Hammerstrom
Committee: Health Policy

Date Completed: 1-6-04

RATIONALE

Among the options available to elderly people who can no longer be cared for at home are homes for the aged. These homes are typically larger than adult foster care homes, serving 21 or more people, and provide residents with substantial independence and privacy. Under the Public Health Code, a home for the aged may not admit a person under the age of 60 unless the Director of the Department of Consumer and Industry Services (DCIS) grants a waiver. (Since the DCIS is now within the new Department of Labor and Economic Growth, this responsibility has been transferred to the Director of the Family Independence Agency.) To grant the waiver, the Director must determine that it would be in the best interest of a resident of the home and the individual for whom the waiver is sought. Some people believe that the criteria for granting the waiver should allow for more flexibility.

CONTENT

The bill would amend the Public Health Code to revise the condition under which the Director of the Family Independence Agency (FIA) may waive the age limitation for a resident of a home for the aged.

Currently, the Director may waive the age limitation if he or she determines that a waiver would be in the best interests of a resident of the home and the individual for whom the waiver is sought. Under the bill, instead, the Director would have to waive the requirement if it were in the best interests of the individual under 60 years of age, and he or she would be compatible with the home's other residents as determined by all of the following:

- The individual.
- The individual's guardian or other legal representative.
- The individual's physician.
- The owner, operator, and governing body of the home for the aged.

MCL 333.21311

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

Younger people who are stricken with medical conditions or illnesses that necessitate 24-hour care, such as multiple sclerosis or Alzheimer's disease, often decide that the apartment-based setting offered in a home for the aged is their best option. Over the last few years, the Code evidently has been interpreted to mean that a person seeking a waiver must demonstrate that he or she has a pre-existing relationship with a person already living in the home, such as a spouse. A person's choice for long-term care, however, usually is based on factors in addition to age, such as affordability and medical, clinical, and social needs.

In rural areas with few options for long-term care, people sometimes must move far away from their families and friends to live in a facility that meets their physical needs. The age requirement for homes for the aged further restricts their choices, and can lead to the placement of people in nursing homes when a home for the aged might be more appropriate. Giving the FIA Director more flexibility in granting waivers would maximize

choice for consumers and provide them with more control over the provision of their care.

Legislative Analyst: Julie Koval

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Maria Tyszkiewicz

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