

# Legislative Analysis



## CERTIFICATE OF NEED COMMISSION

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**Senate Bill 671 (S-1) as passed by the Senate**  
**Sponsor: Sen. Lana Theis**  
**House Committee: Health Policy**  
**Senate Committee: Health Policy and Human Services**  
**Complete to 7-14-20**

Analysis available at  
<http://www.legislature.mi.gov>

## SUMMARY:

Senate Bill 671 would amend the Public Health Code to modify the composition of the Certificate of Need (CON) Commission. The CON program exists to ensure that only needed, cost-effective, and quality health services and facilities are developed in Michigan. Currently, the commission comprises 11 members, representing entities such as hospitals, physicians, nurses, and companies that are self-insured and not self-insured.

The bill would add two individuals representing the general public, one of whom would have to be from a county with a population of less than 40,000.

Additionally, the bill would remove a requirement that, within six months of the appointment and confirmation of six additional members, the commission develop standards for use of certain hospital beds. Those members were added by 2002 PA 619.<sup>1</sup>

MCL 333.22211 and 333.22215

## FISCAL IMPACT:

Senate Bill 671 would have modest fiscal implications for the Department of Health and Human Services to support two additional members of the Certificate of Need Commission. The costs can be fully supported within existing appropriations. Program costs are funded with CON fee revenue.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.

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<sup>1</sup> House Fiscal Agency analysis of 2002 PA 619 (SB 1436): <http://www.legislature.mi.gov/documents/2001-2002/billanalysis/House/pdf/2002-HFA-1436-x5.pdf>