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Senate Bill 674 (Substitute S-1)
Sponsor: Senator Michael D. MacDonald
Committee: Health Policy and Human Services

Date Completed: 2-20-20

CONTENT

The bill would amend the Public Health Code to modify the definition of "covered clinical service".

Under the Code, "covered clinical service" means one or more of the following services, except as modified by the Certificate of Need Commission:

- Initiation or expansion of neonatal intensive care services or special newborn services; open heart surgery; or extrarenal organ transplantation.
- Initiation, replacement, or expansion of extracorporeal shock wave lithotripsy; megavoltage radiation therapy; positron emission tomography; certain surgical services; cardiac catheterization; fixed and mobile magnetic resonance imager services; or fixed and mobile computerized tomography scanner services.
- Initiation or expansion of a specialized psychiatric program for children and adolescent patients utilizing licensed psychiatric beds.
- Initiation, replacement, or expansion of a service not listed, but designated as a covered clinical service by the Commission.

"Covered clinical service" also means the initiation, replacement, or expansion of air ambulance services. Under the bill, this provision would apply through September 30, 2020.

MCL 333.22203

Legislative Analyst: Tyler VanHuyse

FISCAL IMPACT

The bill would exempt air ambulance services from the CON process. There is evidence from other states (such as an Iowa Attorney General's opinion) that the Federal Aviation Act regulates air ambulance services and bars states from implementing statutes overriding Federal law and regulation on aviation services. It appears that the intent of this legislation is to bring State CON law in line with Federal law. As such the bill would not have a fiscal impact.

Fiscal Analyst: Steve Angelotti

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