



Senate Fiscal Agency  
P.O. Box 30036  
Lansing, Michigan 48909-7536

## BILL ANALYSIS



Telephone: (517) 373-5383  
Fax: (517) 373-1986

House Bill 5876 (Substitute H-1 as reported without amendment)  
Sponsor: Representative Greg VanWoerkom  
House Committee: Health Policy  
Senate Committee: Health Policy and Human Services

**CONTENT**

The bill would amend Public Act 47 of 1949, which governs local hospital authorities, to do the following:

- Delete a provision requiring the articles of incorporation of a nonprofit corporation and the contractual arrangements between a hospital authority and the nonprofit corporation to prohibit a nonprofit corporation from selling, leasing, or otherwise transferring a hospital without voter approval.
- Allow a nonprofit corporation to sell, lease, or otherwise transfer a hospital on terms and conditions the nonprofit corporation considered reasonable if the sale, lease, or other transfer were approved by the hospital authority.
- Delete a provision requiring the articles of incorporation of a nonprofit corporation and the contractual arrangements between a hospital authority and the nonprofit corporation to require a nonprofit corporation to adopt and carry out policies designed to ensure that hospital care is provided to a reasonable degree to indigent people in its hospital service area free of charge and that patients not be denied appropriate care on the basis of source of payment.
- Allow a hospital board, by a majority vote of the board, to provide for the dissolution of a hospital authority if the authority had completed the purposes for which it was organized.

MCL 331.9

Legislative Analyst: Stephen P. Jackson

**FISCAL IMPACT**

The bill would have no fiscal impact on the State and no direct fiscal impact on local governments. The bill's provisions would give hospital authorities more flexibility to dispose of property. Any fiscal impact would be limited to the hospital authority and would depend on decisions made by that authority.

Date Completed: 5-27-22

Fiscal Analyst: Ryan Bergan