## SUBSTITUTE FOR

## SENATE BILL NO. 1073

A bill to amend 1978 PA 368, entitled "Public health code,"

by amending sections 22201, 22207, 22209, 22213, 22215, and 22219 (MCL 333.22201, 333.22207, 333.22209, 333.22213, 333.22215, and 333.22219), section 22201 as added by 1988 PA 332 and sections 22207, 22209, 22213, and 22215 as amended and section 22219 as added by 2002 PA 619.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 22201. (1) For purposes of this part, the words and
- 2 phrases defined in sections 22203 to <del>22207</del> **22208** have the meanings
- 3 ascribed to them in those sections.
- 4 (2) In addition, article 1 contains general definitions and
- 5 principles of construction applicable to all articles in this code.

- 1 (3) The definitions in part 201 do not apply to this part.
- 2 Sec. 22207. (1) "Medicaid" means the program for medical
- 3 assistance administered by the department of community health under
- 4 the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.
- 5 (2) "Modernization" means an upgrading, alteration, or change
- 6 in function of a part or all of the physical plant of a health
- 7 facility. Modernization includes, but is not limited to, the
- 8 alteration, repair, remodeling, and renovation of an existing
- 9 building and initial fixed equipment and the replacement of
- 10 obsolete fixed equipment in an existing building. Modernization of
- 11 the physical plant does not include normal maintenance and
- 12 operational expenses.
- 13 (3) "New construction" means construction of a health facility
- 14 where a health facility does not exist or construction replacing or
- 15 expanding an existing health facility or a part of an existing
- 16 health facility.
- 17 (4) "Person" means a person THAT TERM as defined in section
- 18 1106 or AND INCLUDES a governmental entity.
- 19 (5) "Planning area" means the area defined in a certificate of
- 20 need review standard for determining the need for, and the resource
- 21 allocation of, a specific health facility, service, or equipment.
- 22 Planning area includes, but is not limited to, the THIS state, a
- 23 health facility service area, or a health service area or subarea
- 24 within the THIS state.
- 25 (6) "Proposed project" means a proposal to acquire an existing
- 26 health facility or begin operation of a new health facility, make a
- 27 change in bed capacity, initiate, replace, or expand a covered

- 1 clinical service, or make a covered capital expenditure.
- 2 (7) "Rural county" means a county not located in a
- 3 metropolitan statistical area or micropolitan statistical areas as
- 4 those terms AREAS are defined DELINEATED under the "2010 standards
- 5 for defining DELINEATING metropolitan and micropolitan statistical
- 6 areas" AS ADOPTED by the statistical policy office of the office of
- 7 information and regulatory affairs of the United States office of
- 8 management and budget, 65 F.R. p. 82238 (December 27, 2000).75 FR
- 9 123, P. 37246 (JUNE 28, 2010).
- 10 (8) "Stipulation" means a requirement that is germane to the
- 11 proposed project and has been agreed to by an applicant as a
- 12 condition of certificate of need approval.
- Sec. 22209. (1) Except as otherwise provided in this part, a
- 14 person shall not do any of the following without first obtaining a
- 15 certificate of need:
- 16 (a) Acquire an existing health facility or begin operation of
- 17 a health facility at a site that is not currently licensed for that
- 18 type of health facility.
- (b) Make a change in the bed capacity of a health facility.
- (c) Initiate, replace, or expand a covered clinical service.
- 21 (d) Make a covered capital expenditure.
- 22 (2) A certificate of need is not required for a reduction in
- 23 licensed bed capacity or services at a licensed site.
- 24 (3) Subject to subsection (9) and if the IF A HOSPITAL BED
- 25 relocation does not result in an increase of licensed beds within
- 26 that health service area, a certificate of need is not required for
- 27 any of the following:

- 1 (a) The physical relocation of licensed beds from a hospital
- 2 site licensed under part 215 to another hospital site licensed
- 3 under the same license as the hospital seeking to transfer the beds
- 4 if both hospitals are located within a 2-mile radius of each other.
- 5 (b) Subject to subsections (7) and (8) AND PROVIDED THAT
- 6 CONSTRUCTION OF A NEW FACILITY SITE, IF APPLICABLE, COMMENCES NOT
- 7 LATER THAN 12 MONTHS AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT
- 8 THAT ADDED SUBPARAGRAPHS (v) AND (vi), the physical relocation of
- 9 licensed beds from a hospital licensed under part 215 to a
- 10 freestanding surgical outpatient facility SITE licensed under part
- 11 208 if that freestanding surgical outpatient facility SITE
- 12 satisfies each of the following criteria: on December 2, 2002:
- 13 (i) Is owned by, is under common control of, or has  $\frac{1}{1}$  as a common
- 14 parent OWNERSHIP IN COMMON WITH the hospital seeking to relocate
- 15 its licensed beds.
- 16 (ii) Was licensed prior to BEFORE January 1, 2002.2010.
- 17 (iii) Provides 24-hour URGENT OR emergency care services at that
- **18** site.
- 19 (iv) Provides at least 4 different covered clinical services at
- 20 that site.
- 21 (v) IS LOCATED WITHIN AN 8-MILE RADIUS OF THE HOSPITAL SEEKING
- 22 TO RELOCATE ITS LICENSED BEDS.
- 23 (vi) IS LOCATED IN A COUNTY WITH A POPULATION BETWEEN 1,200,000
- 24 AND 1,500,000.
- 25 (c) Subject to subsections (7) and (8), the physical
- 26 relocation of licensed beds from a hospital licensed under part 215
- 27 to another hospital licensed under part 215 within the same health

- 1 service area if the hospital receiving the licensed beds is owned
- 2 by, is under common control of, or has as a common parent the
- 3 hospital seeking to relocate its licensed beds.
- 4 (4) Subject to subsection (5), a hospital licensed under part
- 5 215 is not required to obtain a certificate of need to provide 1 or
- 6 more of the covered clinical services listed in section 22203(10)
- 7 in a federal veterans health care facility or to use long-term care
- 8 unit beds or acute care beds that are owned and located in a
- 9 federal veterans health care facility if the hospital satisfies
- 10 each of the following criteria:
- 11 (a) The hospital has an active affiliation or sharing
- 12 agreement with the federal veterans health care facility.
- 13 (b) The hospital has physicians who have faculty appointments
- 14 at the federal veterans health care facility or has an affiliation
- 15 with a medical school that is affiliated with a federal veterans
- 16 health care facility and has physicians who have faculty
- 17 appointments at the federal veterans health care facility.
- 18 (c) The hospital has an active grant or agreement with the
- 19 state or federal government to provide 1 or more of the following
- 20 functions relating to bioterrorism:
- (i) Education.
- 22 (ii) Patient care.
- 23 (iii) Research.
- (iv) Training.
- 25 (5) A hospital that provides 1 or more covered clinical
- 26 services in a federal veterans health care facility or uses long-
- 27 term care unit beds or acute care beds located in a federal

- 1 veterans health care facility under subsection (4) may SHALL not
- 2 utilize procedures performed at the federal veterans health care
- 3 facility to demonstrate need or to satisfy a certificate of need
- 4 review standard unless the covered clinical service provided at the
- 5 federal veterans health care facility was provided under a
- 6 certificate of need.
- 7 (6) If a hospital licensed under part 215 had HAS fewer than
- 8 70 licensed beds, on December 1, 2002, that hospital is not
- 9 required to satisfy the minimum volume requirements under the
- 10 certificate of need review standards for its existing operating
- 11 rooms as long as those operating rooms continue to exist at that
- 12 licensed hospital site.
- 13 (7) Before relocating beds under subsection (3)(b), the
- 14 hospital seeking to relocate its beds shall provide the information
- 15 requested by the department of consumer and industry services
- 16 LICENSING AND REGULATORY AFFAIRS that will allow the department of
- 17 consumer and industry services LICENSING AND REGULATORY AFFAIRS to
- 18 verify the number of licensed beds that were staffed and available
- 19 for patient care at that hospital. as of December 2, 2002. A
- 20 hospital shall transfer no more than 35% of its licensed beds to
- 21 another hospital or freestanding surgical outpatient facility under
- 22 subsection (3) (b) or (c) not more than 1 time after the effective
- 23 date of the amendatory act that added this subsection if the
- 24 hospital seeking to relocate its licensed beds or another hospital
- 25 owned by, under common control of, or having as a common parent the
- 26 hospital seeking to relocate its licensed beds is located in a city
- 27 that has a population of 750,000 or more. THE HOSPITAL SEEKING TO

- 1 RELOCATE LICENSED BEDS SHALL PROVIDE WRITTEN VERIFICATION TO THE
- 2 DEPARTMENT THAT IT SHALL CONTINUE TO DO ALL OF THE FOLLOWING AT ITS
- 3 CURRENT SITE:
- 4 (A) PROVIDE AT LEAST \$10,000,000.00 IN UNCOMPENSATED CARE
- 5 ANNUALLY.
- 6 (B) DEVELOP A MEDICAL EDUCATION AND JOB TRAINING PROGRAM IN
- 7 COOPERATION WITH A LOCAL PUBLIC SCHOOL DISTRICT, A LOCAL
- 8 INTERMEDIATE SCHOOL DISTRICT, A LOCAL COMMUNITY COLLEGE, OR A
- 9 PUBLIC HIGHER EDUCATION INSTITUTION.
- 10 (C) PROVIDE ACCESS TO HEALTH CARE SERVICES, INCLUDING, BUT NOT
- 11 LIMITED TO, PRIMARY CARE SERVICES, PEDIATRIC SERVICES, PRENATAL
- 12 SERVICES, INPATIENT AND OUTPATIENT SURGICAL SERVICES, ONCOLOGY
- 13 SERVICES, CARDIAC SERVICES, EMERGENCY MEDICAL SERVICES, CHRONIC
- 14 DISEASE PREVENTION AND TREATMENT SERVICES FOCUSED ON OBESITY,
- 15 INFANT MORTALITY, AND SMOKING CESSATION, MENTAL HEALTH SERVICES,
- 16 SUBSTANCE ABUSE SERVICES, DIAGNOSTIC SERVICES, REHABILITATION
- 17 SERVICES, PHYSICAL THERAPY SERVICES, OCCUPATIONAL THERAPY SERVICES,
- 18 GERIATRIC HEALTH CARE SERVICES, AND DIALYSIS SERVICES.
- 19 (D) MAINTAIN AT LEAST 100 LICENSED BEDS.
- 20 (8) The licensed beds relocated under subsection (3)(b) or (c)
- 21 shall not be included as new beds in a hospital or as a new
- 22 hospital under the certificate of need review standards for
- 23 hospital beds. One of every 2 beds transferred under subsection
- 24 (3) (b) up to a maximum of 100 shall be beds that were staffed and
- 25 available for patient care as of December 2, 2002. A hospital
- 26 relocating beds under subsection (3)(b) shall not reactivate
- 27 licensed beds within that hospital that were unstaffed or

- 1 unavailable for patient care on December 2, 2002 for a period of 5
- 2 years after the date of the relocation of the licensed beds under
- 3 subsection (3) (b) . SERVICES AT THE NEW SITE SHALL NOT BE CONSIDERED
- 4 AN INITIATION, REPLACEMENT, OR EXPANSION OF COVERED CLINICAL
- 5 SERVICES FOR THE PURPOSES OF SUBSECTION (1)(C) IF THOSE SAME
- 6 SERVICES ARE PROVIDED AT THE EXISTING HOSPITAL SITE AT THE TIME THE
- 7 LICENSED BEDS ARE RELOCATED TO THE NEW SITE.
- 8 (9) No licensed beds shall be physically relocated under
- 9 subsection (3) if 7 or more members of the commission, after the
- 10 appointment and confirmation of the 6 additional commission members
- 11 under section 22211 but before June 15, 2003, determine that
- 12 relocation of licensed beds under subsection (3) may cause great
- 13 harm and detriment to the access and delivery of health care to the
- 14 public and the relocation of beds should not occur without a
- 15 certificate of need.
- 16 (9) (10) An applicant seeking a certificate of need for the
- 17 acquisition of an existing health facility may file a single,
- 18 consolidated application for the certificate of need if the project
- 19 results in the acquisition of an existing health facility but does
- 20 not result in an increase or relocation of licensed beds or the
- 21 initiation, expansion, or replacement of a covered clinical
- 22 service. Except as otherwise provided in this subsection, a person
- 23 acquiring an existing health facility is subject to the applicable
- 24 certificate of need review standards in effect on the date of the
- 25 transfer for the covered clinical services provided by the acquired
- 26 health facility. The department may except 1 or more of the covered
- 27 clinical services listed in section 22203(10)(b), except the

- 1 covered clinical service listed in section 22203(10)(b)(iv), from
- 2 the minimum volume requirements in the applicable certificate of
- 3 need review standards in effect on the date of the transfer, if the
- 4 equipment used in the covered clinical service is unable to meet
- 5 the minimum volume requirements due to the technological incapacity
- 6 of the equipment. A covered clinical service excepted by the
- 7 department under this subsection is subject to all the other
- 8 provisions in the applicable certificate of need review standards
- 9 in effect on the date of the transfer, except minimum volume
- 10 requirements.
- 11 (10) (11)—An applicant seeking a certificate of need for the
- 12 relocation or replacement of an existing health facility may file a
- 13 single, consolidated application for the certificate of need if the
- 14 project does not result in an increase of licensed beds or the
- 15 initiation, expansion, or replacement of a covered clinical
- 16 service. A person relocating or replacing an existing health
- 17 facility is subject to the applicable certificate of need review
- 18 standards in effect on the date of the relocation or replacement of
- 19 the health facility.
- 20 (11) (12)—As used in this section, "sharing agreement" means a
- 21 written agreement between a federal veterans health care facility
- 22 and a hospital licensed under part 215 for the use of the federal
- veterans health care facility's beds or equipment, or both, to
- 24 provide covered clinical services.
- Sec. 22213. (1) The commission shall, within 2 months after
- 26 appointment and confirmation of all members, adopt bylaws for the
- 27 operation of the commission. The bylaws shall include, at a

- 1 minimum, voting procedures that protect against conflict of
- 2 interest and minimum requirements for attendance at meetings.
- 3 (2) The governor may remove a commission member from office
- 4 for failure to attend 3 consecutive meetings in a 1-year period.
- 5 (3) The commission annually shall elect a chairperson and
- 6 vice-chairperson.
- 7 (4) IF AN ITEM ON THE COMMISSION'S AGENDA PRESENTS A CONFLICT
- 8 OF INTEREST FOR THE CHAIRPERSON, THE VICE-CHAIRPERSON SHALL LEAD
- 9 THE DISCUSSION FOR THAT ITEM.
- 10 (5) (4)—The commission shall hold regular quarterly meetings
- 11 at places and on dates fixed by the commission. Special meetings
- 12 may be called by the chairperson, by not less than 3 commission
- 13 members, or by the department.
- 14 (6) (5) A majority of the commission members appointed and
- 15 serving constitutes a quorum. Final action by the commission shall
- 16 be only by affirmative vote of a majority of the commission members
- 17 appointed and serving. A commission member shall not vote by proxy.
- 18 (7) (6) The legislature annually shall fix the per diem
- 19 compensation of members of the commission. Expenses of members
- 20 incurred in the performance of official duties shall be reimbursed
- 21 as provided in section 1216.
- 22 (8) <del>(7)</del> The department shall furnish administrative services
- 23 to the commission, shall have charge of the commission's offices,
- 24 records, and accounts, and shall provide at least 2 full-time
- 25 administrative employees, secretarial staff, and other staff
- 26 necessary to allow the proper exercise of the powers and duties of
- 27 the commission. SUFFICIENT STAFF TO SUPPORT THE WORK OF THE

- 1 COMMISSION. The department shall make available the times and
- 2 places of commission meetings and keep minutes of the meetings and
- 3 a record of the actions of the commission. The department shall
- 4 make available a brief summary of the actions taken by the
- 5 commission.
- 6 (9) (8)—The department shall assign at least 2 full-time
- 7 professional employees to staff the commission to assist the
- 8 commission in the performance of its substantive responsibilities
- 9 under this part.
- 10 Sec. 22215. (1) The commission shall do all of the following:
- 11 (a) If determined necessary by the commission, revise, add to,
- 12 or delete 1 or more of the covered clinical services listed in
- 13 section 22203. If the commission proposes to add to the covered
- 14 clinical services listed in section 22203, the commission shall
- 15 develop proposed review standards and make the review standards
- 16 available to the public not less than 30 days before conducting a
- 17 hearing under subsection (3).
- 18 (b) Develop, approve, disapprove, or revise certificate of
- 19 need review standards that establish for purposes of section 22225
- 20 the need, if any, for the initiation, replacement, or expansion of
- 21 covered clinical services, the acquisition or beginning the
- 22 operation of a health facility, making changes in bed capacity, or
- 23 making covered capital expenditures, including conditions,
- 24 standards, assurances, or information that must be met,
- 25 demonstrated, or provided by a person who applies for a certificate
- 26 of need. A certificate of need review standard may also establish
- 27 ongoing quality assurance requirements including any or all of the

- 1 requirements specified in section 22225(2)(c). Except for nursing
- 2 home and hospital long-term care unit bed review standards, by
- 3 January 1, 2004, the commission shall revise all certificate of
- 4 need review standards to include a requirement that each applicant
- 5 participate in title XIX. of the social security act, chapter 531,
- 6 49 Stat. 620, 1396r-6 and 1396r-8 to 1396v.
- 7 (c) Direct the department to prepare and submit
- 8 recommendations regarding commission duties and functions that are
- 9 of interest to the commission including, but not limited to,
- 10 specific modifications of proposed actions considered under this
- 11 section.
- 12 (d) Approve, disapprove, or revise proposed criteria for
- 13 determining health facility viability under section 22225.
- 14 (e) Annually assess the operations and effectiveness of the
- 15 certificate of need program based on periodic reports from the
- 16 department and other information available to the commission.
- 17 (f) By January 1 , 2005, and OF every 2 years thereafter, ODD
- 18 YEAR, make recommendations to the joint committee regarding
- 19 statutory changes to improve or eliminate the certificate of need
- 20 program.
- 21 (g) Upon submission by the department approve, disapprove, or
- 22 revise standards to be used by the department in designating a
- 23 regional certificate of need review agency, pursuant to section
- **24** 22226.
- 25 (h) Develop, approve, disapprove, or revise certificate of
- 26 need review standards governing the acquisition of new technology.
- (i) In accordance with section 22255, approve, disapprove, or

- 1 revise proposed procedural rules for the certificate of need
- 2 program.
- 3 (j) Consider the recommendations of the department and the
- 4 department of attorney general as to the administrative feasibility
- 5 and legality of proposed actions under subdivisions (a), (b), and
- 6 (c).
- 7 (k) Consider the impact of a proposed restriction on the
- 8 acquisition of or availability of covered clinical services on the
- 9 quality, availability, and cost of health services in this state.
- 10 THE COMMISSION SHALL ALSO EVALUATE ALL CERTIFICATE OF NEED REVIEW
- 11 STANDARDS TO DETERMINE IF THE LANGUAGE ALLOWS FOR ACTUAL APPROVAL
- 12 OF AN APPLICATION. IF THE COMMISSION DETERMINES THAT A SERVICE WILL
- 13 BE CAPPED AT A SPECIFIC NUMBER OF PROVIDERS, THE COMMISSION SHALL
- 14 EXPRESS THAT DETERMINATION PLAINLY IN THE REVIEW STANDARDS.
- 15 (l) If the commission determines it necessary, appoint standard
- 16 advisory committees to assist in the development of proposed
- 17 certificate of need review standards. A standard advisory committee
- 18 shall complete its duties under this subdivision and submit its
- 19 recommendations to the commission within 6 months unless a shorter
- 20 period of time is specified by the commission when the standard
- 21 advisory committee is appointed. VOTING ON ALL MOTIONS BEFORE THE
- 22 COMMITTEES SHALL BE DOCUMENTED BY A ROLL CALL VOTE AND SHALL BE
- 23 RECORDED IN THE MINUTES. An individual shall serve on no more than
- 24 2 standard advisory committees in any 2-year period. The
- 25 composition of a standard advisory committee shall not include a
- 26 lobbyist registered under 1978 PA 472, MCL 4.411 to 4.431, but
- 27 shall include all of the following:

- 1 (i) Experts with professional competence in the subject matter
- 2 of the proposed standard, who shall constitute a 2/3 majority of
- 3 the standard advisory committee.
- 4 (ii) Representatives of health care provider organizations
- 5 concerned with licensed health facilities or licensed health
- 6 professions.
- 7 (iii) Representatives of organizations concerned with health
- 8 care consumers and the purchasers and payers of health care
- 9 services.
- 10 (m) In addition to subdivision (b), review and, if necessary,
- 11 revise each set of certificate of need review standards at least
- 12 every 3 years.
- 13 (n) If a standard advisory committee is not appointed by the
- 14 commission and the commission determines it necessary, submit a
- 15 request to the department to engage the services of private
- 16 consultants or request the department to contract with any private
- 17 organization for professional and technical assistance and advice
- 18 or other services to assist the commission in carrying out its
- 19 duties and functions under this part.
- 20 (o) Within 6 months after the appointment and confirmation of
- 21 the 6 additional commission members under section 22211, develop,
- 22 approve, or revise certificate of need review standards governing
- 23 the increase of licensed beds in a hospital licensed under part
- 24 215, the physical relocation of hospital beds from 1 licensed site
- 25 to another geographic location, and the replacement of beds in a
- 26 hospital licensed under part 215.
- 27 (2) The commission shall exercise its duties under this part

- 1 to promote and assure all of the following:
- 2 (a) The availability and accessibility of quality health
- 3 services at a reasonable cost and within a reasonable geographic
- 4 proximity for all people in this state.
- 5 (b) Appropriate differential consideration of the health care
- 6 needs of residents in rural counties in ways that do not compromise
- 7 the quality and affordability of health care services for those
- 8 residents.
- 9 (3) Not less than 30 days before final action is taken by the
- 10 commission under subsection (1)(a), (b), (d), OR (h), or (o), the
- 11 commission shall conduct a public hearing on its proposed action.
- 12 In addition, not less than 30 days before final action is taken by
- 13 the commission under subsection (1)(a), (b), (d), OR (h), OR (o),
- 14 the commission chairperson shall submit the proposed action and a
- 15 concise summary of the expected impact of the proposed action for
- 16 comment to each member of the joint committee. The commission shall
- 17 inform the joint committee of the date, time, and location of the
- 18 next meeting regarding the proposed action. The joint committee
- 19 shall promptly review the proposed action and submit its
- 20 recommendations and concerns to the commission.
- 21 (4) The commission chairperson shall submit the proposed final
- 22 action including a concise summary of the expected impact of the
- 23 proposed final action to the governor and each member of the joint
- 24 committee. The governor or the legislature may disapprove the
- 25 proposed final action within 45 days after the date of submission.
- 26 If the proposed final action is not submitted on a legislative
- 27 session day, the 45 days commence on the first legislative session

- 1 day after the proposed final action is submitted. The 45 days shall
- 2 include not less than 9 legislative session days. Legislative
- 3 disapproval shall be expressed by concurrent resolution which THAT
- 4 shall be adopted by each house of the legislature. The concurrent
- 5 resolution shall state specific objections to the proposed final
- 6 action. A proposed final action by the commission under subsection
- 7 (1)(a), (b), (d), **OR** (h) , or (o) is not effective if it has been
- 8 disapproved under this subsection. If the proposed final action is
- 9 not disapproved under this subsection, it is effective and binding
- 10 on all persons affected by this part upon the expiration of the 45-
- 11 day period or on a later date specified in the proposed final
- 12 action. As used in this subsection, "legislative session day" means
- 13 each day in which a quorum of either the house of representatives
- 14 or the senate, following a call to order, officially convenes in
- 15 Lansing to conduct legislative business.
- 16 (5) The commission shall not develop, approve, or revise a
- 17 certificate of need review standard that requires the payment of
- 18 money or goods or the provision of services unrelated to the
- 19 proposed project as a condition that must be satisfied by a person
- 20 seeking a certificate of need for the initiation, replacement, or
- 21 expansion of covered clinical services, the acquisition or
- 22 beginning the operation of a health facility, making changes in bed
- 23 capacity, or making covered capital expenditures. This subsection
- 24 does not preclude a requirement that each applicant participate in
- 25 title XIX of the social security act, chapter 531, 49 Stat. 620,
- 26 1396r-6 and 1396r-8 to 1396v, or a requirement that each applicant
- 27 provide covered clinical services to all patients regardless of his

- 1 or her ability to pay.
- 2 (6) If the reports received under section 22221(f) indicate
- 3 that the certificate of need application fees collected under
- 4 section 20161 have not been within 10% of 3/4 the cost to the
- 5 department of implementing this part, the commission shall make
- 6 recommendations regarding the revision of those fees so that the
- 7 certificate of need application fees collected equal approximately
- 8 3/4 of the cost to the department of implementing this part.
- 9 (6) (7)—As used in this section, "joint committee" means the
- 10 joint committee created under section 22219.
- 11 Sec. 22219. (1) A joint legislative committee to focus on
- 12 proposed actions of the commission regarding the certificate of
- 13 need program and certificate of need standards and to review other
- 14 certificate of need issues is created. The joint committee shall
- 15 consist of 6 members as follows:
- 16 (a) The chairperson of the senate committee on health policy.
- 17 (b) The vice-chairperson of the senate committee on health
- 18 policy.
- 19 (c) The minority vice-chairperson of the senate committee on
- 20 health policy.
- 21 (d) The chairperson of the house of representatives committee
- 22 on health policy.
- 23 (e) The vice-chairperson of the house of representatives
- 24 committee on health policy.
- 25 (f) The minority vice-chairperson of the house of
- 26 representatives committee on health policy.
- 27 (2) The joint committee shall be co-chaired by the chairperson

- 1 of the senate committee on health policy and the chairperson of the
- 2 house committee on health policy.
- 3 (3) The joint committee may administer oaths, subpoena
- 4 witnesses, and examine the application, documentation, or other
- 5 reports and papers of an applicant or any other person involved in
- 6 a matter properly before the committee.
- 7 (4) The joint committee shall review the recommendations made
- 8 by the commission under section 22215(6) regarding the revision of
- 9 the certificate of need application fees and submit a written
- 10 report to the legislature outlining the costs to the department to
- 11 implement the program, the amount of fees collected, and its
- 12 recommendation regarding the revision of those fees.
- 13 (5) The joint committee may develop a plan for the revision of
- 14 the certificate of need program. If a plan is developed by the
- 15 joint committee, the joint committee shall recommend to the
- 16 legislature the appropriate statutory changes to implement the
- **17** plan.