

# HOUSE BILL No. 6144

May 6, 2010, Introduced by Reps. Corriveau, Liss, Polidori, Neumann, Ball, Slavens, Bauer, Spade, Womack, Constan, Robert Jones, Valentine, Barnett and Dean and referred to the Committee on Senior Health, Security, and Retirement.

A bill to amend 1978 PA 368, entitled  
"Public health code,"  
by amending section 21766 (MCL 333.21766), as amended by 2001 PA  
243.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 21766. (1) A nursing home shall execute a written  
2 contract solely with an applicant or patient or that applicant's or  
3 patient's guardian or legal representative authorized by law to  
4 have access to those portions of the patient's or applicant's  
5 income or assets available to pay for nursing home care, at each of  
6 the following times:

- 7           (a) At the time an individual is admitted to a nursing home.  
8           (b) At the expiration of the term of a previous contract.  
9           (c) At the time the source of payment for the patient's care

1 changes.

2 (2) A nursing home shall not discharge or transfer a patient  
3 at the expiration of the term of a contract, except as provided in  
4 section 21773.

5 (3) A nursing home shall specifically notify in writing an  
6 applicant or patient or that applicant's or patient's guardian or  
7 legal representative of the availability or lack of availability of  
8 hospice care in the nursing home. This written notice shall be by  
9 way of a specific paragraph located in the written contract  
10 described in subsection (1) and shall require the applicant or  
11 patient or that applicant's or patient's guardian or legal  
12 representative to sign or initial the paragraph before execution of  
13 the written contract. As used in this subsection, "hospice" means  
14 that term as defined in section ~~20106(4)~~ **20106**.

15 (4) A nursing home shall provide a copy of the contract to the  
16 patient, the patient's representative, or the patient's legal  
17 representative or legal guardian at the time the contract is  
18 executed.

19 (5) For a patient supported by funds other than the patient's  
20 own funds, a nursing home shall make a copy of the contract  
21 available to the person providing the funds for the patient's  
22 support.

23 (6) For a patient whose care is reimbursed with public funds  
24 administered by the department of community health, a nursing home  
25 shall maintain a copy of the contract in the patient's file at the  
26 nursing home and upon request shall make a copy of the contract  
27 available to the department of community health.

1           (7) The nursing home shall ensure that the contract is written  
2 in clear and unambiguous language and is printed in not less than  
3 12-point type. The form of the contract shall be prescribed by the  
4 department.

5           (8) The contract shall specify all of the following:

6           (a) The term of the contract.

7           (b) The services to be provided under the contract, including  
8 the availability of hospice or other special care, and the charges  
9 for the services.

10          (c) The services that may be provided to supplement the  
11 contract and the charges for the services.

12          (d) The sources liable for payments due under the contract.

13          (e) The amount of deposit paid and the general and foreseeable  
14 terms upon which the deposit will be held and refunded.

15          (f) The rights, duties, and obligations of the patient, except  
16 that the specification of a patient's rights may be furnished on a  
17 separate document that complies with the requirements of section  
18 20201.

19          (9) The nursing home may require a patient's or applicant's  
20 guardian or legal representative who is authorized by law to have  
21 access to those portions of the patient's or applicant's income or  
22 assets available to pay for nursing home care to sign a contract  
23 without incurring personal financial liability other than for funds  
24 received in his or her legal capacity on behalf of the patient.

25          (10) A nursing home employee may request the appointment of a  
26 guardian for an individual applicant or patient only if the nursing  
27 home employee reasonably believes that the individual meets the

1 legal requirements for the appointment of a guardian.

2 (11) AT THE TIME A NURSING HOME REPORTS A PROPOSED SALE OF OR  
3 CHANGE IN AN OWNERSHIP OR CONTROL INTEREST TO THE DEPARTMENT UNDER  
4 SECTION 20142, THE NURSING HOME SHALL SPECIFICALLY NOTIFY IN  
5 WRITING ALL PATIENTS AND EACH PATIENT'S GUARDIAN OR LEGAL  
6 REPRESENTATIVE OF THE PROPOSED SALE OF OR CHANGE IN AN OWNERSHIP OR  
7 CONTROL INTEREST. AT THE TIME THE NURSING HOME PROVIDES A COPY OF A  
8 PATIENT CONTRACT UNDER SUBSECTION (4), THE NURSING HOME SHALL ALSO  
9 SPECIFICALLY NOTIFY IN WRITING THE PATIENT OR THE PATIENT'S LEGAL  
10 REPRESENTATIVE OR LEGAL GUARDIAN OF A PROPOSED SALE OF OR CHANGE IN  
11 AN OWNERSHIP OR CONTROL INTEREST, IF ANY. IF A NURSING HOME THAT  
12 REPORTS A PROPOSED SALE OF OR CHANGE IN AN OWNERSHIP OR CONTROL  
13 INTEREST UNDER SECTION 20142 RECEIVES NOTICE OF NONCOMPLIANCE UNDER  
14 THAT SECTION AND THE DEPARTMENT DOES NOT HAVE AN APPROVED PLAN OF  
15 CORRECTION FOR THAT NURSING HOME, THE NURSING HOME SHALL ALSO  
16 INCLUDE IN THE NOTICE TO ALL PATIENTS AND TO EACH PATIENT'S  
17 GUARDIAN OR LEGAL REPRESENTATIVE UNDER THIS SUBSECTION THAT A  
18 LICENSE MAY NOT BE ISSUED TO THE NEW PERSONS WITH AN OWNERSHIP OR  
19 CONTROL INTEREST UNTIL THE ITEMS OF NONCOMPLIANCE HAVE BEEN  
20 CORRECTED.

21 Enacting section 1. This amendatory act does not take effect  
22 unless Senate Bill No. \_\_\_\_ or House Bill No. \_\_\_\_ (request no.  
23 00712'09) of the 95th Legislature is enacted into law.