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House Bill 5375 (Substitute S-2 as reported)
House Bills 5376 and 5377 (as reported without amendment)
Sponsor: Representative Gail Haines
House Committee: Health Policy
Senate Committee: Health Policy

CONTENT

House Bill 5375 (S-2) would amend the Public Health Code to do the following:

- Allow a nursing home, regardless of its status as a legal entity, to employ or contract with a physician or osteopathic physician to provide the nursing home's program of planned and continuing nursing care and medical treatment, including direct clinical services to residents.
- Specify that "medical treatment", within the Code's definition of "nursing home", would include treatment by a physician or osteopathic physician who is an employee or independent contractor of a nursing home.
- Require a nursing home to provide a program of planned and continuing nursing care under the charge of a registered nurse.

House Bills 5376 and 5377 would amend the Michigan Limited Liability Company (LLC) Act and the Business Corporation Act, respectively, to specify that the term "services in a learned profession", with regard to the formation of a professional LLC or corporation, would not include services provided to nursing home residents by a physician, osteopathic physician, or surgeon who was an employee or independent contractor of the nursing home.

(Article 9 of the Michigan Limited Liability Company Act allows the formation of certain professional LLCs, and specifies that an LLC formed to provide services in learned profession must comply with Article 9. Under the Business Corporation Act, a corporation incorporated to provide one or more services in a learned profession must be incorporated under Chapter 2A (Professional Corporations). Both Acts define "services in a learned profession" as services rendered by a dentist, an osteopathic physician, a physician, a surgeon, a doctor of divinity or other clergy, or an attorney-at-law.)

House Bills 5376 and 5377 are tie-barred to House Bill 5375.

MCL 333.20109 & 333.21715 (H.B. 5375)
450.4102 (H.B. 5376)
450.1109 (H.B. 5377)

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bills would have no fiscal impact on State or local government.

Date Completed: 7-22-14

Fiscal Analyst: Josh Sefton