

SUBSTITUTE FOR  
HOUSE BILL NO. 5173

A bill to amend 1978 PA 368, entitled  
"Public health code,"  
by amending section 20165 (MCL 333.20165), as amended by 2008 PA  
39, and by adding section 21537.

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

1       Sec. 20165. (1) Except as otherwise provided in this section,  
2 after notice of intent to an applicant or licensee to deny, limit,  
3 suspend, or revoke the applicant's **application** or licensee's  
4 license or certification and an opportunity for a hearing, the  
5 department may deny, limit, suspend, or revoke the **application**,  
6 license, or certification or impose an administrative fine on a  
7 licensee if 1 or more of the following exist:

8       (a) Fraud or deceit in obtaining or attempting to obtain a

1 license or certification or in the operation of the licensed health  
2 facility or agency.

3 (b) A violation of this article or a rule promulgated under  
4 this article.

5 (c) False or misleading advertising.

6 (d) Negligence or failure to exercise due care, including  
7 negligent supervision of employees and subordinates.

8 (e) Permitting a license or certificate to be used by an  
9 unauthorized health facility or agency.

10 (f) Evidence of abuse regarding a patient's health, welfare,  
11 or safety or the denial of a patient's rights.

12 (g) Failure to comply with section 10115.

13 (h) Failure to comply with part 222 or a term, condition, or  
14 stipulation of a certificate of need issued under part 222, or  
15 both.

16 (i) A violation of section 20197(1).

17 (2) The department may deny an application for a license or  
18 certification based on a finding of a condition or practice that  
19 would constitute a violation of this article if the applicant were  
20 a licensee.

21 (3) Denial, suspension, or revocation of an individual  
22 emergency medical services personnel license under part 209 is  
23 governed by section 20958.

24 (4) If the department determines under subsection (1) that a  
25 health facility or agency has violated section 20197(1), the  
26 department shall impose an administrative fine of \$5,000,000.00 on  
27 the health facility or agency.

28 **Sec. 21537. (1) If a live child born in a hospital is not**  
29 **covered under a health benefit plan, the hospital shall provide to**

1 a parent or guardian of the child the informational document on the  
2 insurance enrollment process developed under subsection (2).

3 (2) The department of insurance and financial services, in  
4 consultation with the department of health and human services,  
5 shall develop and make available to hospitals an informational  
6 document on the insurance enrollment process for coverage of a  
7 newborn.