
The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Greg Waddell.

DIGEST

Proposed law provides that DHH may enter into contracts with private contractors for the financing, acquiring, designing, leasing, constructing, and operating of inpatient mental health facilities.

Proposed law provides that contracts entered into under proposed law shall be negotiated with the contractor chosen by DHH pursuant to a competitive process.

Proposed law provides that contracts entered into under the terms of proposed law shall not be subject to capital outlay requirements, Title 38 of the Louisiana Revised Statutes of 1950, or the request for proposals process of R.S. 39:1503.

Proposed law provides that a contract for the financing, acquiring, designing, leasing and constructing of an inpatient mental health facility may also contain provisions relating to the maintenance and operation of administrative and treatment services in the inpatient mental health facility, if DHH determines that combining the contract services would be efficient and cost effective.

Proposed law further provides that no contract for services may be entered into unless the contractor demonstrates that it has:

- (1) The financial and programmatic qualifications, experience, and personnel necessary to carry out the terms of the contract.
- (2) The financial strength and ability to provide indemnification for liability arising from the operation of inpatient mental health facility projects.
- (3) Evidence of past performance of similar contracts.
- (4) The ability to comply with applicable mental health standards.

Proposed law provides that contracts awarded under the provisions of proposed law may be entered into for a period not to exceed 20 years, subject to annual appropriation by the legislature.

Proposed law provides that no contract for inpatient mental health treatment or services shall be entered into unless the following requirements are met:

- (1) The contractor provides audited financial statements for the previous five years or for each of the years the contractor has been in operation, if less than five years, and provides

other financial information as requested.

- (2) The contractor shall agree to hold harmless the state, its agencies, political subdivisions, and the employees and contractors of the state, its agencies and political subdivisions for any claim or cause of action which arises from any act or omission by the contractor or any of the contractor's employees or subcontractors.
- (3) The contractor shall agree to provide insurance, or equal bonding, and proof of such insurance or bonding for the indemnification of the state or its agencies and political subdivisions and the employees and contractors of the state and its agencies and political subdivisions for any claim or cause of action which arises from any act or omission by the contractor or any of the contractor's employees or subcontractors.

Proposed law provides that nothing in the provisions of proposed law shall limit or affect the ability of DHH to contract for professional, personal, consulting or social services under the authority existing as of July 1, 2010.

Effective August 15, 2010.

(Adds R.S. 28:22.11)