

Regular Session, 2010

SENATE BILL NO. 523

BY SENATOR CHEEK

HEALTHCARE. Provides for the First Responder Financial Stabilization and Enhancement Act. (gov sig) (2/3 - CA6s30.1(B))

1 AN ACT

2 To enact Subpart E of Part VII of Chapter 5 of Title 40 of the Louisiana Revised Statutes,

3 to be comprised of R.S. 40:1236.21 through 1236.31, relative to emergency medical

4 services; to provide for the creation of the statewide ambulance service district; to

5 provide for the purpose and object of the district; to provide for a board of

6 commissioners; to provide for powers and duties of the board of commissioners; to

7 provide for domicile of the district; to provide for rules and regulations; to provides

8 for the authority to incur debt and issue general bonds; to provide for legislative

9 findings; and to provide for related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. Subpart E of Part VII of Chapter 5 of Title 40 of the Louisiana Revised
12 Statutes, comprised of R.S. 40:1236.21 through 1236.31 is hereby enacted to read as follows:

13 **SUBPART E. FIRST RESPONDER FINANCIAL**

14 **STABILIZATION AND ENHANCEMENT**

15 **§1236.21. Legislative findings**

16 **The legislature hereby finds and declares the following:**

17 **(1) Emergency medical services constitute an invaluable part of the**

1 healthcare delivery system of Louisiana and are an essential element of
2 Louisiana's emergency preparedness system.

3 (2) Emergency medical services will be a key element in any healthcare
4 reform initiative.

5 (3) Emergency medical services are a key component of any economic
6 development program as they are essential to recruiting and retaining industry.

7 (4) The cost of funding the Medicaid program and healthcare for the
8 poor and uninsured in the state must be carefully managed in a manner which
9 recognizes the challenges associated with appropriate reimbursement for
10 services under the program.

11 (5) Emergency medical service providers want to assure that emergency
12 medical services are available to all residents of Louisiana.

13 (6) It is in the best interest of the state that there exists sufficient
14 resources to assure the availability of emergency ambulance services to the
15 citizens of Louisiana and the creation of a statewide ambulance service district
16 will help to ensure this goal.

17 §1236.22. Short title

18 This Subpart shall be known and may be cited as the "First Responder
19 Financial Stabilization and Enhancement Act."

20 §1236.23. Statewide ambulance service district; creation

21 In order to provide for sufficient resources to assure the availability of
22 emergency ambulance services to the population of Louisiana, the legislature
23 does hereby establish a statewide ambulance service district. The boundaries
24 of the district shall be coterminous with the boundaries of the state. The
25 ambulance service district thus created shall constitute a body corporate in law
26 with all powers of a corporation, shall have perpetual existence, shall have the
27 power and right to contract obligations, to sue and be sued, and to do and
28 perform any and all acts in its corporate capacity and its corporate name
29 necessary and proper for the carrying out of the objects and purposes for which

1 the ambulance service district was created. It shall have the power and
2 authority to acquire any and all necessary equipment and buildings for the
3 purpose of performing the objects for which it is formed and shall own all sites
4 and physical facilities which are acquired either by donation, purchase,
5 exchange, and otherwise in full ownership.

6 §1236.24. Object and purpose of the district

7 The object and purpose of the ambulance service district and the
8 governing body created under the provisions of this Subpart shall be to enhance
9 reimbursement and financial stability of ambulance providers. The
10 Department of Health and Hospitals may submit waivers or state plan
11 amendments to the Centers for Medicare and Medicaid Services in order to
12 secure federal financial participation in relation to any such payments or
13 reimbursement. Payments shall be made only in accordance with an approved
14 waiver or state plan amendment. The department and the transferring
15 statewide ambulance district may enter into an agreement, in accordance with
16 state and federal law, concerning the use of transferred funds in a way that is
17 consistent with the legislative intent set forth herein. The commission may
18 establish a methodology utilizing a pool, or pools, to facilitate distribution of any
19 transfers received in addition to any federal financial participation earned
20 through the use of such transfers, as authorized herein. The methodology shall
21 be created with the intent to maximize, to the fullest extent possible, the return
22 to the providers located within the jurisdiction of the local governing body from
23 which such transfer is derived. Any licensed provider of ambulance services
24 shall be eligible to participate in the district. Participation is on a strictly
25 voluntary basis.

26 §1236.25. Ambulance service district commission; qualifications, appointment,
27 vacancies, removal and compensation of members

28 A. The ambulance service district created under this Subpart shall be
29 governed by the Ambulance Service District Commission, hereafter referred to

1 as the commission. The commission shall be composed of one member from
2 each congressional district, appointed by the governor, subject to confirmation
3 by the Senate, from a list of names submitted by the Louisiana Ambulance
4 Alliance. The nomination list submitted to the governor shall include at least
5 three nominees from each congressional district. Members of the commission
6 shall be citizens and qualified electors of this state. Initially, three members of
7 the commission shall be appointed for a two-year term, and the remaining
8 members for four-year terms. Thereafter, all members shall be appointed for
9 four years. Any vacancy on the board caused by death, resignation, removal or
10 disability of a member shall be filled for the unexpired term by appointment by
11 the governor from the congressional district where the vacancy occurred.

12 B. Any member of the commission whose term expires shall continue to
13 serve on the commission until such time that a successor is appointed.

14 C. Any member of the commission may be removed from office for
15 cause and his appointment rescinded by a two-thirds vote of the membership
16 of the governing authority.

17 D. The commission annually shall elect one of its member's chairman,
18 and one vice-chairman. The meetings shall be held at the domicile of the
19 district established by the commission. At least four regular meetings shall be
20 held annually. Special meetings may be held at such times and places as shall
21 be specified, by call of the chairman or by a simple majority of the commission.

22 E. A majority of the members shall constitute a quorum of the board for
23 all purposes and functions of the board.

24 F. Each member of the board shall receive a certificate or commission
25 from the governor and before beginning his term of office shall file with the
26 secretary of state a written oath or affirmation of faithful discharge of his
27 official duties.

28 G. The members of the commission and all employees of the corporation
29 shall be subject to the Code of Governmental Ethics. They shall be considered

1 public employees as defined by R.S. 42:1102(18) and the corporation shall be
2 considered an agency as defined by R.S. 42:1102(2) for purposes of the Code of
3 Governmental Ethics only. All meetings of the board shall be open and subject
4 to the provisions of R.S. 42:4.1 et seq. A record of all proceedings at regular and
5 special meetings of the board shall be kept and shall be open to public
6 inspection, except as otherwise provided by this Title or in R.S. 42:6.1.

7 H. No member of the board shall receive a per diem or shall be
8 reimbursed for expenses incurred when attending a meeting of the board or any
9 of its committees or for the time spent on behalf of the board on official
10 business.

11 **§1236.26. Powers and duties of the commission**

12 In addition to the duties defined elsewhere, the commission shall have the
13 duty and authority:

14 (1) To represent the public interest in facilitating ambulance care in the
15 state.

16 (2) To pursue grant funds to advance first responder services.

17 (3) To enter into cooperative agreements with other public and private
18 entities.

19 (4) To assist ambulance providers in obtaining lowest possible cost for
20 equipment and supplies through group purchasing.

21 (5) To appoint a director of the ambulance service district and to
22 perform such other duties as may now or hereafter be required by law.

23 (6) To appoint the necessary standing and special committees which may
24 be necessary to carry out the purposes of this Subpart.

25 (7) To establish rates of pay for the use of facilities provided by the
26 district.

27 (8) To enter into contractual arrangements with recognized and duly
28 constituted ambulance providers which are primarily engaged in the operation

1 of ambulance related functions in order to enhance Medicaid funding and
2 reimbursement, and for related matters.

3 (9) To designate a bank to act as agent for depositing funds.

4 (10) To designate rules and regulations for safekeeping of the funds
5 acquired, collected, or loaned by or to the district, and to provide for regular
6 audits of the accounts of the district.

7 §1236.27. Procedure for organizing the ambulance service district

8 A. At the same time as the governor appoints the initial members of the
9 commission, the governor shall designate a time and place for the first meeting
10 of the commission. The first meeting shall take place within sixty days from the
11 date of the initial appointments. At the first meeting of the commission, the
12 commission shall proceed to organize by electing a chairman and a vice
13 chairman.

14 B. It shall be the duty of the chairman to preside over the meetings of the
15 commission and to perform such other duties as are usually required of the
16 chairman of a corporate board. It shall be the duty of the vice chairman to act
17 in the absence of the chairman and in case of the disability of the chairman.

18 §1236.28. Domicile; service of process

19 A. The domicile of the district shall be fixed by the commission and may
20 be changed at the pleasure of the commission. All books and records of the
21 district shall be kept at the domicile.

22 B. Service of process shall be made upon the director, and in his
23 absence, upon the chairman of the commission, and in his absence or their
24 absence, then upon the vice-chairman of the commission.

25 §1236.29. District as a political subdivision; power to incur debt and issue
26 general bonds

27 The ambulance service district is hereby declared to be a political
28 subdivision of the state. For carrying out the purposes of the ambulance service
29 district as provided in this Subpart, the district, under the provisions of the

1 Louisiana Constitution of 1974, shall have the power to incur debt and issue
2 general obligation bonds or revenue.

3 §1236.30. Federal and state aid

4 The ambulance service district created hereunder shall have full power
5 to do such things and enter into any contracts and agreements with any state or
6 federal agency or instrumentality as may be necessary to procure aids and
7 grants to assist such districts in carrying out the purpose for which they are
8 created.

9 §1236.31. Rules and regulations

10 The commission shall have the power, and it shall be its duty, to adopt
11 rules and regulations, in accordance with the Administrative Procedure Act, for
12 the proper disbursement of funds to participating providers. Such rules and
13 regulations shall be submitted to the Senate and House committees on health
14 and welfare and such committees shall have jurisdiction for purposes of the
15 Administrative Procedure Act.

16 Section 2. This Act shall become effective upon signature by the governor or, if not
17 signed by the governor, upon expiration of the time for bills to become law without signature
18 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
19 vetoed by the governor and subsequently approved by the legislature, this Act shall become
20 effective on the day following such approval.

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

DIGEST

Proposed law provides for legislative findings.

Proposed law creates a statewide ambulance service district, hereinafter referred to as the
"district," whose boundaries are be coterminous with the boundaries of the state.

Proposed law provides that the ambulance service district thus created shall constitute a body
corporate in law with all powers of a corporation, shall have perpetual existence, shall have
the power and right to contract obligations, to sue and be sued, and to do and perform any
and all acts in its corporate capacity and its corporate name necessary and proper for the
carrying out of the objects and purposes for which the ambulance service district was
created.

Proposed law provides that the district shall have the power and authority to acquire any and all necessary equipment and buildings for the purpose of performing the objects for which it is formed, and shall own all sites and physical facilities which are acquired either by donation, purchase, exchange, and otherwise in full ownership.

Proposed law provides that the object and purpose of the ambulance service district and the governing body shall be to enhance reimbursement and financial stability of ambulance providers.

Proposed law provides that DHH may submit waivers or state plan amendments to the Centers for Medicare and Medicaid Services in order to secure federal financial participation in relation to any such payments or reimbursement.

Proposed law provides that payments shall be made only in accordance with an approved waiver or state plan amendment and that DHH and the transferring statewide ambulance district may enter into an agreement, in accordance with state and federal law, concerning the use of transferred funds in a way that is consistent with the legislative intent set forth herein.

Proposed law provides that the commission may establish a methodology utilizing a pool, or pools, to facilitate distribution of any transfers received in addition to any federal financial participation earned through the use of such transfers and that the methodology shall be created with the intent to maximize, to the fullest extent possible, the return to the providers located within the jurisdiction of the local governing body from which such transfer is derived.

Proposed law provides that any licensed provider of ambulance services shall be eligible to participate in the district and that participation is on a strictly voluntary basis.

Proposed law provides that the ambulance service district shall be governed by Ambulance Service District Commission, hereafter referred to as the commission, and that the commission shall be composed of one member from each congressional district appointed by the governor from a list of names submitted by the Louisiana Ambulance Alliance.

Proposed law provides that, initially, three members of the commission shall be appointed for a two-year term, and the remaining members for four-year terms and thereafter, all members shall be appointed for four years.

Proposed law provides that any member of the commission whose term expires shall continue to serve on the commission until such time that a successor is appointed.

Proposed law provides that any member of the commission may be removed from office for cause and his appointment rescinded by a two-thirds vote of the membership of the governing authority.

Proposed law provides that the commission annually shall elect one of its member's chairman, and one vice-chairman and meetings shall be held at the domicile of the district established by the commission.

Proposed law provides that a majority of the members shall constitute a quorum of the board for all purposes and functions of the board.

Proposed law provides that each member of the board shall receive a certificate or commission from the governor and before beginning his term of office shall file with the secretary of state a written oath or affirmation of faithful discharge of his official duties.

Proposed law provides that the members of the commission and all employees of the corporation shall be subject to the Code of Governmental Ethics and shall be considered

public employees and the corporation shall be considered an agency.

Proposed law provides that no member of the board shall receive a per diem or shall be reimbursed for expenses incurred when attending a meeting of the board or any of its committees or for the time spent on behalf of the board on official business.

Proposed law provides for the following powers and duties of the commission:

- (1) To represent the public interest in facilitating ambulance care in the state.
- (2) To pursue grant funds to advance first responder services.
- (3) To enter into cooperative agreements with other public and as well as private entities.
- (4) To assist ambulance providers in obtaining lowest possible cost for equipment and supplies through group purchasing.
- (5) To appoint a director of the ambulance service district and to perform such other duties as may now or hereafter be required by law.
- (6) To appoint the necessary standing and special committees which may be necessary to carry out the purposes of this Subpart.
- (7) To establish rates of pay for the use of facilities provided by the district.
- (8) To enter into contractual arrangements with recognized and duly constituted ambulance providers which are primarily engaged in the operation of ambulance related functions in order to enhance Medicaid funding and reimbursement and for related matters.
- (9) To designate a bank to act as agent for depositing funds.
- (10) To designate rules and regulations for safekeeping of the funds acquired, collected, or loaned by or to the district, and to provide for regular audits of the accounts of the district.

Proposed law provides that the governor shall designate a time and place for the first meeting of the commission and such meeting shall take place within 60 days from the date of the initial appointments.

Proposed law provides for the duties of the chairman and the vice-chairman.

Proposed law provides that the domicile of the district shall be fixed by the commission and may be changed at the pleasure of the commission and that the domicile shall be within the district, and books and records shall be kept at the domicile.

Proposed law provides that service of process shall be made upon the director, and in his absence, upon the chairman of the commission, and in his absence or their absence, then upon the vice-chairman of the commission.

Proposed law provides that the ambulance service district is hereby declared to be a political subdivision of the state and for carrying out the purposes of the ambulance service district, the district, under the provisions of the Louisiana Constitution of 1974, shall have the power to incur debt and issue general obligation bonds or revenue.

Proposed law provides that the ambulance service districts created hereunder shall have full power to do such things and enter into any contracts and agreements with any state or federal agency or instrumentality as may be necessary to procure aids and grants to assist such

districts in carrying out the purpose for which they are created.

Proposed law provides that the commission shall have the power, and it shall be its duty, to adopt rules and regulations, in accordance with the APA, for the proper disbursement of funds to participating providers. Such rules and regulations shall be submitted to the Senate and House committees on health and welfare and such committees shall have jurisdiction for purposes of the APA.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 40:1236.21 - 1236.31)