

RÉSUMÉ DIGEST

ACT 196 (HB 456)

2025 Regular Session

Turner

New law provides relative to the Local Healthcare Provider Participation Program.

Prior law provided that the provisions of prior law (R.S. 40:1248.1-1248.10) apply to any parish where at least two institutional providers are located.

New law revises prior law to instead provide that the provisions apply to any parish.

New law provides that if a parish has fewer than two hospitals, the parish may join with one or more contiguous parishes with fewer than two hospitals and create a multi-parish funding district, which shall be a new governmental entity. New law further provides that the boundary of a multi-parish funding district shall be coextensive with the combined boundaries of the parishes contained in the multi-parish funding district.

New law provides that a multi-parish funding district shall be established by the governing body of each parish within the boundaries of a proposed funding district by passing and adopting a resolution or ordinance establishing the multi-parish funding district and appointing one representative to serve on the multi-parish funding district's governing body.

New law provides that the governing body of a multi-parish funding district shall be comprised solely of the individuals appointed by each parish within the boundaries of the district. New law allows a parish to replace its appointment to the governing body by resolution or ordinance.

New law requires the governing body of a multi-parish funding district to delegate the operational and administrative burdens of the district to the parishes that comprise the district.

New law requires, within 60 days of the establishment of a multi-parish funding district, the governing body to designate at least one parish to serve as the operational and administrative lead for the district. New law allows the governing body to change this designation at any time.

Existing law provides that a rural hospital may be included in assessment payments imposed, if the rural hospital and parish enter into a mutual agreement to include the rural hospital.

New law retains existing law.

Existing law provides that a governmental hospital may be included in assessment payments imposed, if the governmental hospital and parish enter into a mutual agreement to include the governmental hospital.

New law retains existing law.

Existing law provides that if a parish excludes providers, the definition of institutional provider as used in existing law (R.S. 40:1248.5 and 40:1248.8) shall be read to exclude such excluded providers.

New law adds that, if necessary, the parish shall be required to work with the department to obtain federal approvals to ensure compliance with federal law. New law otherwise retains existing law.

Existing law provides that if a parish collects a local hospital assessment then the hospital shall set local hospital assessment payments in amounts that, in the aggregate, will generate sufficient revenue to cover the administrative expenses of the parish for activities as specified in existing law and to fund the nonfederal share of a Medicaid payment for the benefit of hospitals in the parish.

Existing law provides that the amount of revenue from local hospital assessment payments used for the aforementioned reason may not exceed five percent of the total revenue generated from the local hospital assessment payment or \$20,000, whichever is lower.

New law instead provides that the local assessment payments, including collection services as provided in existing law (R.S. 40:1248.9) as amended, shall be \$150,000. New law otherwise retains existing law.

Prior law required the sheriff of a parish to collect the local hospital assessment payment.

Prior law allowed the sheriff to charge and deduct from the assessment payment a fee for collecting the payment. Prior law further provided that the fee, which shall be in an amount determined by the parish, shall not exceed the usual and customary charges imposed by the sheriff.

New law modifies prior law providing that the parish may only collect an assessment payment if the parish uses an appropriate collection entity. New law further provides that if a sheriff serves as the collection entity, the sheriff may charge and deduct from local hospital assessment payments a reasonable and customary fee for collecting those payments.

Effective upon signature of governor (June 8, 2025).

(Amends R.S. 40:1248.3, 1248.5(D)(3), 1248.8(B) and (D), and 1248.9)