

2026 Regular Session

HOUSE BILL NO. 865

BY REPRESENTATIVE TURNER

DISTRICTS/HOSPITAL SERVC: Provides relative to hospital service districts

1 AN ACT

2 To enact R.S. 46:1069.2, relative to hospital service districts; to provide for definitions; to
3 provide for operating a healthcare facility in a hospital service district; to require the
4 consent of hospital service district where the healthcare facility is located; to provide
5 for notice; to establish procedures to obtain consent; to provide for an effective date;
6 to provide for applicability; to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 46:1069.2 is hereby enacted to read as follows:

9 §1069.2. Hospital service districts; consent agreements; notice

10 For the purposes of this Section, the following terms have the following
11 meanings:

12 (1) "Affiliate" means a person, trust, or form of legal entity or legal
13 association, whether operated for-profit or not-for-profit that is all of the following:

14 (a) Connected to another entity through ownership, control, or a shared
15 relationship as evidenced by any of the following:

16 (i) If an entity directly or indirectly, through its governing board members
17 or executive officers, owns five percent or more of any class of ownership or
18 membership interest of the other person, trust, or form of legal entity or legal
19 association, whether voting or non-voting.

1 (ii) If an entity has "control" over the affiliate. Control shall be deemed to
2 exist when one entity, directly or indirectly, is controlled by or is under common
3 control with another entity. Control can be established through ownership of voting
4 interests, contractual relationships, financial relationships, coordinated operations,
5 or other means.

6 (iii) If an entity has a shared relationship with the affiliate. A shared
7 relationship means any relationship or connection between entities that creates a
8 meaningful association or influence, even absent ownership or control. Without
9 limiting the generality of the foregoing, and by way of illustration and not limitation,
10 a shared relationship includes entities such as subsidiaries, parent entities, sister
11 companies, executive officers, members, or directors; shared resources and facilities;
12 support of a mutual mission or common goals; shared assets; financial relationships
13 as creditor and borrower or landlord and tenant; collaborative arrangements
14 including but not limited to any agreement provided for in accordance with R.S.
15 46:1077; a history of acting in concert or corroboration; contractual relationships that
16 create mutual obligations and benefits; management and service agreements between
17 the entities; shared leadership; familial relationships amongst any of the foregoing;
18 and any other relationship or evidence of any form of significant influence by one
19 entity over another entity's operations or decision-making processes. The mere
20 existence of a contractual relationship between an entity and hospital service district
21 does not establish a shared relationship.

22 (b) Created by or caused to be created by a parish governing authority,
23 hospital service district, the governmental authority that created the hospital service
24 district, or commissioner or officer of a hospital service district.

25 (2) "Healthcare facility" means any facility that provides medical, wellness,
26 health, or clinical care to individuals including but not limited to all of the following:

27 (a) A hospital inpatient or outpatient department, emergency room, or
28 satellite facility.

29 (b) An ambulatory surgical center.

significant influence, but clarifies that a mere contractual relationship with a hospital service district does not alone establish a shared relationship.

Proposed law requires that, to qualify as an affiliate, the entity must also be created by or caused to be created by a parish governing authority, hospital service district, the governmental authority that created the hospital service district, or an officer or commissioner of a hospital service district.

Proposed law defines "healthcare facility" as any facility that provides medical, wellness, health, or clinical care, including hospitals and their departments, ambulatory surgical centers, urgent care clinics, diagnostic or testing centers, psychiatric and rehabilitation facilities, skilled nursing and therapy clinics, medical office buildings, wellness centers, primary or specialty care clinics, clinical laboratories, and rural health clinics.

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

(Adds R.S. 46:1069.2)