
DIGEST

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HB 456 Reengrossed

2025 Regular Session

Turner

Abstract: Provides relative to the Local Healthcare Provider Participation Program.

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

Proposed law revises present law to instead provide that present law applies to any parish.

Proposed 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. Proposed 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.

Proposed 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 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.

Proposed 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. Proposed law allows a parish to replace its appointment to the governing body by resolution or ordinance.

Proposed 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.

Proposed 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. Proposed law allows the governing body to change this designation at any time.

Present 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.

Proposed law retains present law.

Present 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.

Proposed law retains present law.

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

Proposed 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. Proposed law otherwise retains present law.

Present 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 present law and to fund the nonfederal share of a Medicaid payment for the benefit of hospitals in the parish.

Present 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.

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

Present law requires the sheriff of a parish to collect the local hospital assessment payment.

Present law allows the sheriff to charge and deduct from the assessment payment a fee for collecting the payment. Present law further provides 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.

Proposed law instead provides that the parish may only collect an assessment payment if the parish uses an appropriate collection entity. Proposed 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 or lapse of time for gubernatorial action.

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

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Health and Welfare to the original bill:

1. Clarify that a local hospital assessment payment will be imposed on each paying hospital in the parish in accordance with federal law.
2. Make technical changes.

The House Floor Amendments to the engrossed bill:

1. Provide that if a sheriff serves as a collection entity for assessment payments, the sheriff may charge and deduct reasonable fees from the collected assessment payments.