SLS 16RS-1198

ORIGINAL

2016 Regular Session

SENATE BILL NO. 466

BY SENATOR HEWITT

HOSPITALS. Authorizes the legislature to approve the monetization of the assets of the public hospitals operated by the Board of Supervisors of Louisiana State University. (gov sig)

1	AN ACT
2	To enact R.S. 17:1519.2(C), relative to public hospitals administered by the Board of
3	Supervisors of Louisiana State University; to provide for a procedure for the
4	approval by the Joint Legislative Committee on the Budget and the legislature of
5	changes in the provision of health care at the public hospitals; to provide for an
6	effective date; and to provide for related matters.
7	Be it enacted by the Legislature of Louisiana:
8	Section 1. R.S. 17:1519.2(C) is hereby enacted to read as follows:
9	§1519.2. State hospitals operated by the Board of Supervisors of Louisiana State
10	University and Agricultural and Mechanical College as part of the
11	Louisiana State University Health Sciences Center
12	* * *
13	C.(1) Notwithstanding any provision of law to the contrary, if the
14	legislature determines that a projected deficit exists or there is a reduction in
15	revenues which creates the need to monetize the assets of a hospital, or if an
16	opportunity to improve the health care delivery system of the region in which
17	a hospital resides arises, the legislature may approve the monetization or change

Page 1 of 3 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions. 1 2 <u>to the delivery system by a majority vote of the members of each house of the</u> legislature.

(2) Prior to the execution of any contract, memorandum of 3 4 understanding, cooperative endeavor agreement, or other agreement, hereinafter the agreement, which would result or is expected to result in the 5 monetization of an asset of a hospital or a change in the provision of health care 6 7 at a hospital, the commissioner of administration shall be informed by the state 8 agency seeking confection of the proposed agreement. When the commissioner 9 determines that the parties are sufficiently far enough along in negotiations that 10 the essential elements of the proposed agreement have been worked out by the 11 parties and can be explained to the Joint Legislative Committee on the Budget, 12 the commissioner shall instruct the state agency to contact the committee and 13 request that the proposed agreement be placed on the agenda for a meeting of the committee not less than thirty days after the date the state agency provides 14 15 information regarding the proposed agreement to the committee. The 16 committee shall hold a hearing and consider the agreement at the next regular meeting after the passage of the thirty day period. If the proposed agreement 17 is approved by the committee, the agreement shall be submitted to the 18 19 legislature for approval by a majority vote of the elected members of each house 20 of the legislature. If the legislature is in session, the approval may be granted by the legislature by concurrent resolution. If the legislature is not in session, 21 22 approval of the legislature may be obtained in accordance with the procedures provided in R.S. 39:87. No agreement shall be officially confected prior to the 23 24 approval of the committee and the legislature. Section 2. The provisions of this Act shall terminate as of June 30, 2020. 25 Section 3. This Act shall become effective upon signature by the governor or, if not 26 27 signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If 28 29 vetoed by the governor and subsequently approved by the legislature, this Act shall become

> Page 2 of 3 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

1 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 Martha S. Hess.

SB 466 Original

DIGEST 2016 Regular Session

Hewitt

<u>Present law</u> sets forth the hospitals managed by the Louisiana State University Board of Supervisors.

Proposed law retains present law.

<u>Proposed law</u> provides that notwithstanding any provision of law to the contrary, if the legislature determines that a projected deficit exists or there is a reduction in revenues which creates the need to monetize the assets of a hospital, or if an opportunity to improve the health care delivery system of the region in which a hospital resides arises, the legislature may approve the monetization or change to the delivery system by a majority vote of the members of each house of the legislature.

Proposed law further provides that prior to the execution of any contract, memorandum of understanding, cooperative endeavor agreement, or other agreement, hereinafter the agreement, which would result or is expected to result in the monetization of an asset of a hospital or a change in the provision of health care at a hospital, the commissioner of administration shall be informed by the state agency seeking confection of the proposed agreement. When the commissioner determines that the parties are sufficiently far enough along in negotiations that the essential elements of the proposed agreement have been worked out by the parties and can be explained to the Joint Legislative Committee on the Budget, the commissioner shall instruct the state agency to contact the committee and request that the proposed agreement be placed on the agenda for a meeting of the committee not less than thirty days after the date the state agency provides information regarding the proposed agreement to the committee. The committee shall hold a hearing and consider the agreement at the next regular meeting after the passage of the thirty day period. If the proposed agreement is approved by the committee, the agreement shall be submitted to the legislature for approval by a majority vote of the elected members of each house of the legislature. If the legislature is in session, the approval may be granted by the legislature by concurrent resolution. If the legislature is not in session, approval of the legislature may be obtained in accordance with the procedures provided in R.S. 39:87. No agreement shall be officially confected prior to the approval of the committee and the legislature.

Proposed law provides that it shall terminate as of June 30, 2020.

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

(Adds R.S. 17:1519.2(C))