

HOUSE SUMMARY OF SENATE AMENDMENTS

House Bill No. 1450 by Representative Ellington

HOSPITALS: Creates the Rural Hospital Capital Improvement Act

Synopsis of Senate Amendments

1. Made changes necessary to have entirety of proposed law apply to community public hospitals in addition to rural hospitals.
2. Added definition of "community public hospital".
3. Specified that Dept. of Health and Hospitals, in creating grant application process provided for in proposed law, shall create such process by promulgating necessary rules and regulations through the Administrative Procedure Act.

Digest of Bill as Finally Passed by Senate**Ellington****HB No. 1450****DIGEST**

Proposed law establishes the Rural and Community Public Hospital Capital Improvement Act which shall provide for a program of grants to rural and community public hospitals for acquisition, repair, and upgrade of hospital facilities and equipment.

Proposed law provides for definitions, including "rural hospital", which means a hospital of 60 beds or less licensed by the Dept. of Health and Hospitals, hereinafter "department", that meets the definition of a rural hospital established in present law (R.S. 40:1300.143(7)) as of April 20, 2010.

Proposed law defines "community public hospital" as a hospital which meets either of the following criteria:

- (1) Maintains one hundred twenty-five beds or less and is operated by the Louisiana State University Board of Supervisors.
- (2) Is operated by a hospital service district and certifies public expenditures to the state of Louisiana.

Proposed law establishes the Rural and Community Public Hospital Capital Grant Program to be administered by the department to provide grants to rural and community public hospitals for capital and other improvements intended to address specific deficiencies or problems.

Proposed law provides that the grant program shall prioritize capital initiatives which sustain access to services, enhance health care programs, or create opportunities for rural and community public hospitals to develop revenue-producing programs which help reduce the reliance of such hospitals on state funds; and that the annual distribution of grant funding shall be contingent upon the availability of monies appropriated for such purpose.

Proposed law requires the secretary of the department to promulgate rules and regulations to design and provide for a grant application procedure pursuant to the APA. Proposed law provides for specific elements to be contained in the application, which include a statement by the governing body of the hospital expressing a specific need or deficiency for which grant monies are being sought, a detailed plan for expenditures, and evidence that the

hospital has been unable to raise or otherwise acquire funding sufficient to address the need or deficiency for which the grant application is submitted.

Proposed law authorizes the secretary to promulgate rules to establish the criteria for the award of grants in any year in which appropriations for such purpose exceed the total amount of grant applications.

(Adds R.S. 39:100.130 and 100.131)