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## DIGEST

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HB 724 Reengrossed

2018 Regular Session

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**Abstract:** Provides an exception to certain provisions of the ethics code to allow a licensed physician to perform the duties of certain positions at the La. Dept. of Health and to practice medicine outside of the performance of such duties.

Present law (R.S. 42:1111(A)) prohibits a public servant from receiving anything of economic value, other than compensation and benefits from the governmental entity to which he is entitled, for the performance of his public duties. Present law (R.S. 42:1111(C)) prohibits a public employee from receiving compensation from certain sources, including those which have or are seeking a contractual or business or financial relationship with the public employee's agency, those which conduct operations or activities regulated by the public employee's agency, and those which have a substantial economic interest that could be substantially affected by the performance or nonperformance of the public employee's official duties. Present law (R.S. 42:1111(E)) prohibits a public servant and any legal entity of which the public employee is an officer, director, trustee, partner, or employee, or in which the public employee has a substantial economic interest from receiving or agreeing to receive any thing of economic value for assisting a person in a transaction, or in an appearance in connection with a transaction, with the agency of the public employee.

Present law (R.S. 42:1112) prohibits a public employee from participating in a transaction involving his governmental entity when the public employee has or specified related persons have a substantial economic interest.

Present law (R.S. 42:1113) generally prohibits a public employee from bidding on or entering into any contract, subcontract, or other transaction under the supervision or jurisdiction of his agency.

Proposed law provides an exception to present law (R.S. 42:1111(C), 1112, and 1113) for a licensed La. physician who is employed by or has contracted with the La. Dept. of Health to serve in any of the following positions:

- (1) Assistant secretary for the office of public health.
- (2) Medicaid medical director.
- (3) Medical director of the office of behavioral health.
- (4) Physician, Eastern Louisiana Mental Health System, competency restoration program.

(5) Cancer policy director.

Provides that specified provisions of present law (R.S. 42:1111(C), 1112, and 1113) do not apply to the physician in the performance of the functions and duties of the position or to the practice of medicine by the physician outside of the performance of such functions and duties. Proposed law provides an additional exception for the physician from the provisions of present law (R.S. 42:1111(E)) but only to the extent the transaction with the agency (La. Dept. of Health) is limited to and necessary for the physician's medical care of patients.

Present law (R.S. 42:1121), relative to post service restrictions, prohibits a former agency head for a period of two years following the termination of his public service as the head of the agency from assisting another person, for compensation, in a transaction, or in an appearance in connection with a transaction, involving that agency or from rendering any service on a contractual basis to or for such agency. Further prohibits a legal entity in which a former public employee is an officer, director, trustee, partner, or employee for a period of two years following termination of his public service from assisting another person for compensation in a transaction or in an appearance in connection with a transaction in which such public employee at any time participated during his public service and involving his former agency. Prohibits a former public employee from sharing in any compensation received by another person for assistance which such former public employee is prohibited from rendering by present law. Provides exceptions.

Proposed law provides that present law does not apply to a licensed La. physician who is employed by or has contracted with the La. Dept. of Health to serve in the position of physician, Eastern La. Mental Health System, competency restoration program.

Proposed law provides that prior to being employed by or contracting with the La. Dept. of Health or an agency thereof to serve in a position listed in proposed law, a licensed La. physician shall disclose to the secretary of the La. Dept. of Health any possible conflicts of interest that could arise in performing the functions and duties of the position, including outside employment and business interests. Provides that such disclosures shall be written and a public record.

Proposed law specifies that the compensation paid by the La. Dept. of Health to each physician serving in the specified positions shall be commensurate with the number of hours worked in the position. Requires each such physician, except a physician serving the Eastern La. Mental Health System, competency restoration program, to work full-time. Requires the La. Dept. of Health to submit a quarterly report to the legislature containing the name of the physician, the position, the number of hours worked during the previous quarter, and the amount of compensation received during the previous quarter.

(Adds R.S. 42:1123.2)

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Require the compensation of the physicians to be commensurate with the hours worked.
2. Require the physicians, excluding a physician serving the Eastern La. Mental Health System, competency restoration program, to work full-time.
3. Require a quarterly report to the legislature.
4. Make technical change to correct the name of the Eastern La. Mental Health System.