

2020 Regular Session

SENATE BILL NO. 485

BY SENATOR HEWITT

LOCAL AGENCIES. Provides relative to the St. Tammany Parish Hospital Service District No. 2. (8/1/20)

1 AN ACT

2 To enact Part VI of Chapter 10 of Title 46 of the Louisiana Revised Statutes of 1950, to be
3 comprised of R.S. 46:1098.1 through 1098.12, relative to the St. Tammany Parish
4 Hospital Service District No. 2; to provide for governance; to provide for the board
5 of commissioners nominating committee and appointing authority; to provide for
6 powers, duties, and responsibilities; to provide for taxing and bonding authority; and
7 to provide for related matters.

8 Notice of intention to introduce this Act has been published.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. Part VI of Chapter 10 of Title 46 of the Louisiana Revised Statutes of
11 1950, comprised of 46:1098.1 through 1098.12 is hereby enacted to read as follows:

12 **PART VI. ST. TAMMANY PARISH HOSPITAL SERVICE DISTRICT NO. 2**

13 **§1098.1. St. Tammany Parish Service District No. 2; creation; boundaries;**
14 **purpose**

15 **A. There is hereby created a hospital service district in St Tammany**
16 **Parish, hereafter to be termed the St. Tammany Parish Hospital Service District**
17 **No. 2, a body politic and corporate of the state, referred to in this Part as the**

1 "district". The district shall be a political subdivision of the state and the
2 district is hereby granted all of the rights, powers, privileges, and immunities
3 accorded by law and the Constitution of Louisiana to political subdivisions of
4 the state, subject to the limitations provided in this Part.

5 B. The district shall be comprised of all territory within Wards 6, 7, 8,
6 and 9 of St. Tammany Parish and shall own and operate the Slidell Memorial
7 Hospital.

8 C. The district is created for the following purposes:

9 (1) To own and operate health care facilities, including but not limited
10 to hospitals, for the care of persons suffering from illness or disability.

11 (2) To administer other activities related to health care provision or
12 promotion or to the promotion of the financial viability of the district.

13 (3) To promote and conduct scientific research and training related to
14 health care.

15 (4) To participate, so far as circumstances may warrant, in any activity
16 designated and conducted to promote the general health of the community. The
17 district shall cooperate with the parish health department in the detection,
18 prevention, and combating of any illness, mass immunization and screening
19 tests, or public health education that contributes to the best interest of the
20 public.

21 (5) To cooperate with other public and private institutions and agencies
22 engaged in providing health services to the public.

23 D. The district shall constitute a body corporate in law with all the
24 powers of a corporation, shall have perpetual existence, shall have the power
25 and right to incur debts and contract obligations, to sue and be sued, and to do
26 and perform any and all acts in its corporate capacity and its corporate name
27 necessary and proper for the carrying out of the objects and purposes for which
28 the district was created. The hospital service district shall have the right and
29 power of expropriating property for the purpose of acquiring land for any

1 purpose that it may find necessary in the operation of a hospital service district
2 and may acquire by donation or purchase, any existing hospital facility in the
3 district. It shall also have the power and authority to acquire any and all
4 necessary equipment and buildings for the purpose of performing the objects
5 for which it is formed, and shall own all sites and physical facilities, which are
6 acquired either by donation, purchase, expropriation, exchange, or otherwise,
7 in full ownership. The provisions of this Subsection shall be subject to the
8 limitations of this Part.

9 E. The district shall have an audit and examination of its books and
10 accounts conducted annually by a qualified certified public accountant. The
11 audit shall be filed with the legislative auditor within six months after the close
12 of the period audited. The legislative auditor shall have the authority to
13 prescribe the terms and conditions of the audit conducted by a certified public
14 accountant and to require the district to present the terms and conditions to
15 him for approval prior to the commencement of said audit. The legislative
16 auditor shall have access to the working papers of the accountant during the
17 examination and subsequent to its termination. The legislative auditor shall be
18 authorized to conduct an independent audit and examination of the books and
19 accounts of the district pursuant to R. S. 24:513.

20 F. The district may establish by resolution any health care facility as a
21 profit or nonprofit corporation as defined by law. The district shall have a
22 corporate seal, and copies of all the regulations and copies of proceedings of the
23 board certified by its secretary-treasurer, under its corporate seal, shall be
24 received in all courts as prima facie evidence of the acts and proceedings of the
25 commission.

26 §1098.2 Board of commissioners; nominations; appointments; domicile

27 A. In order to provide for effectuation of the purposes of the district, the
28 district shall be administered and governed by a board of commissioners,
29 referred to in this Part as the "board", comprised of nine commissioners as

1 follows:

2 (1) Seven members, all of whom are registered to vote in and are
3 residents and domiciliaries of Wards 6, 7, 8, or 9 of St. Tammany Parish for not
4 less than two years prior to appointment and shall be appointed pursuant to
5 Subsection C of this Section.

6 (2) Two members shall be appointed pursuant to Subsection D of this
7 Section.

8 B. Commissioners appointed to the board, except those named by the
9 Slidell Memorial Hospital medical staff, shall be chosen by a permanent
10 nominating committee composed of nine members as provided in this
11 Subsection. Members of the permanent nominating committee shall be
12 appointed from entities outlined in Paragraph 1 of this Subsection, and shall
13 submit a copy of their initial appointments to the state senator representing the
14 majority of Wards 6, 7, 8, and 9 of St. Tammany Parish. Once the members of
15 the nominating committee have been appointed, the state senator representing
16 the majority of Wards 6, 7, 8, and 9 of St. Tammany Parish shall call the initial
17 meeting of the nominating committee within ten days after receipt of the
18 appointment of the ninth member of the committee. The state senator shall be
19 responsible for ensuring the proper appointment of all members of the
20 nominating committee and appointing authority pursuant to this Section,
21 calling and providing proper notice of all meetings of the nominating committee
22 and the appointing authority, and maintaining all appropriate documentation
23 of the nominating committee and the appointing authority. The nominating
24 committee shall appoint annually a chairman to conduct meetings of the
25 committee.

26 (1) The permanent nominating committee, and within thirty days if a
27 board vacancy occurs, shall be composed as follows:

28 (a) Three persons, appointed jointly by the mayor and the city council
29 of Slidell, who reside within the city limits of Slidell.

1 **(b) Three persons, appointed jointly by the parish president and the**
2 **parish governing authority of St. Tammany Parish, who reside within the**
3 **geographical boundaries of the district.**

4 **(c) Three persons appointed jointly by the legislative delegation**
5 **comprised of all state representatives and senators who represent all or part of**
6 **Wards 6, 7, 8, or 9 of St. Tammany Parish. The legislative delegation shall**
7 **choose among nominees of the Slidell Memorial Hospital medical staff.**

8 **(2) All members of the nominating committee shall serve terms of three**
9 **years.**

10 **(3)(a) The nominating committee, with the assistance of the current**
11 **board of commissioners, shall:**

12 **(i) Seek nominations from the community as a whole by widely**
13 **publicizing the openings on the board of commissioners.**

14 **(ii) Seek nominations from a broad section of community organizations**
15 **and shall obtain nominations from each of Wards 6, 7, 8, and 9 of St. Tammany**
16 **Parish.**

17 **(b) Public interviews of the applicants shall be conducted.**

18 **(c) The nominating committee shall insure that any potential nominee**
19 **has no conflict of interest that would preclude his or her participation as a**
20 **member of the board of commissioners under the Louisiana Code of**
21 **Governmental Ethics.**

22 **(4) The nominating committee should make every reasonable effort to**
23 **include in its nominations at least one person from each of the following**
24 **categories:**

25 **(a) A member of the Louisiana State Bar Association in good standing**
26 **who has considerable experience or expertise in hospital representation.**

27 **(b) A certified public accountant authorized to practice in Louisiana with**
28 **a minimum of five years experience in audit and financial procedures of**
29 **hospitals.**

1 (c) A person with at least a bachelor's degree and five years of financial
2 experience in commercial and bond work.

3 (d) An insurance executive with at least a bachelor's degree and five
4 years of experience in the area of group benefits and managed care issues.

5 (e) A health professional with five years of experience in the previous ten
6 years in either a hospital or other direct care setting.

7 (f) A business executive with at least an MBA or equivalent degree and
8 five years of experience in operating a large business corporation or large non-
9 profit corporation.

10 (5) Members of the nominating committee shall not be public officials.

11 (6) The nominating committee shall hold interviews in a public forum
12 and as a result of the forum present to the appointing authority, provided for
13 in Paragraph C(1) of this Section, a list of a minimum of two and a maximum
14 of three nominees for each position to be filled and shall include nominees from
15 Wards 6, 7, 8, and 9 of St. Tammany Parish.

16 C.(1) The members of the board of commissioners shall be appointed in
17 a public forum by the appointing authority from the list of nominees, within
18 thirty days of receipt of the list. The appointing authority shall be composed as
19 follows:

20 (a) One appointee of the Slidell city council who resides within the city
21 limits of Slidell.

22 (b) One appointee of the mayor of Slidell who resides within the city
23 limits of Slidell.

24 (c) One appointee of the St. Tammany Parish council who resides within
25 the geographical boundaries of the district.

26 (d) One appointee of the St. Tammany Parish president who resides
27 within the geographical boundaries of the district.

28 (e) One appointee of the governing authority of the town of Pearl River
29 who resides within the corporate limits of Pearl River.

1 (f) Two appointees of the legislative delegation comprised of all state
2 representatives and senators who represent all or part of Wards 6, 7, 8, or 9 of
3 St. Tammany Parish who reside within the geographical boundaries of the
4 district.

5 (2)(a) The appointing authority members, who are not elected officials,
6 shall serve terms of three years, except for the initial terms beginning on the
7 effective date of this Act, and determined by lot at the first meeting of the
8 appointing authority, as follows:

9 (i) Two shall serve until January 1, 2019.

10 (ii) Two shall serve until January 1, 2020.

11 (iii) One shall serve until January 1, 2021.

12 (b) Elected officials serving on the appointing authority may serve for a
13 term commensurate with their term of office.

14 (3) The commission shall reflect at all times a cross-section of the citizens
15 of Wards 6, 7, 8, and 9 of St. Tammany Parish, including at least one board of
16 commissioners member from each ward. Every reasonable effort shall be made
17 to achieve this objective through the cooperation of the nominating committee
18 and the appointing authority.

19 (4) The nominating committee and appointing authority shall conduct
20 their meetings and fulfill their duties by December 15 of each year in order that
21 each appointee may have six months to observe and orient to the board prior
22 to taking their office on July 1 of the following year. Orienting appointees shall
23 be compensated a per diem rate and reasonable expenses for attending meetings
24 or education sessions of the board prior to taking office.

25 D. Slidell Memorial Hospital Appointments. The board members from
26 the Slidell Memorial Hospital medical staff shall be nominated and appointed
27 as follows:

28 (1) Two practicing medical staff members of Slidell Memorial Hospital
29 shall be nominated by the medical staff of the hospital. One nominee shall be the

1 current chief of the medical staff or his medical staff designee, and the other
2 shall be a staff member who regularly treats patients at the hospital and who
3 has the majority of his practice at Slidell Memorial Hospital. Both physician
4 appointees shall have long-standing professional ties to Slidell Memorial
5 Hospital.

6 (2) The appointing authority shall appoint as members of the board the
7 two nominees of the medical staff.

8 (3) Medical staff appointees shall be active members of the medical staff
9 of Slidell Memorial Hospital. Medical staff appointees are not required to reside
10 within the geographical boundaries the district.

11 (4)(a) Notwithstanding any other provision of law to the contrary, a
12 licensed physician who is nominated or appointed to be, or is, a member or
13 former member of the board of commissioners elected pursuant to this
14 Subsection, is not prohibited from contracting, subcontracting with another
15 provider who contracts, owning an interest in an entity that contracts, or
16 accepting employment with Slidell Memorial Hospital, provided that the
17 contract is related to the licensed physician's practice of medicine or expertise
18 as a licensed physician. However, such licensed physician shall recuse himself
19 from participating in any transaction before the board relating to any contracts
20 permitted by this Paragraph and entered into by him, by a provider with which
21 he subcontracts, or by any entity in which he owns an interest.

22 (b) All contracts permitted by this Paragraph, entered into while the
23 physician is a member of the board of commissioners, shall be disclosed to the
24 Louisiana Board of Ethics within thirty days of the execution of the contract.
25 The disclosure shall include the parties to the contract, the purpose of the
26 contract, and the date the contract was executed.

27 (5) Only in the event that Slidell Memorial Hospital should acquire a
28 minority partner with a share of less than fifty percent of the assets of the
29 hospital, the board of commissioners is empowered to allow representation of

1 the minority partner on the board.

2 (a) By a two-thirds vote of the board of commissioners, the size of the
3 board may be increased by not more than two members in order to allow for
4 representation of a minority shareholder on the board.

5 (b) Such board members shall be appointed by the minority shareholder
6 to serve initial terms of one year and two years respectively.

7 (c) Subsequently, these appointees of the minority shareholder shall
8 serve full four-year terms.

9 (d) No other restrictions or qualifications shall apply to board members
10 appointed by a minority shareholder, except with regard to term limitations
11 contained herein.

12 E.(1) No person owning or possessing any property interest in any of the
13 stocks, bonds, or other securities issued by any private hospital located in the
14 same area served by the district, and no person who is a director or other officer
15 of any private hospital shall be eligible for or hold any position on the board of
16 commissioners except those positions to be named by the Slidell Memorial
17 Hospital medical staff.

18 (2) With respect to privileges at any district hospital, such a decision
19 regarding a person owning or possessing any property interest in any of the
20 stocks, bonds, or other securities issued by a private hospital located in the same
21 area served by the St. Tammany Parish Hospital Service District No. 2 is strictly
22 left to the discretion of the board of commissioners. Such an interest shall not
23 require the suspension of or the rejection of a request for privileges at a service
24 district hospital; however, privileges may be suspended or denied based upon
25 such an ownership interest.

26 (3) For the purposes of this Subsection, the possession or ownership of
27 an interest, stocks, bonds, or other securities by the spouse or minor children
28 of any person shall be deemed to be the possession or interest of such person.

29 (4) Notwithstanding any other provisions of law to the contrary, the

1 board may annually appoint a former member of the board to serve as a non-
2 voting "Commissioner Emeritus" to advise and provide historical perspective
3 to the board when requested by the chairman. Such person shall be paid a per
4 diem equal to that paid to other board members for attendance at the meeting
5 together with reasonable expenses to attend any event attended by the board of
6 commissioners.

7 F.(1) At the beginning of each hospital fiscal year the board shall elect
8 a chairperson, vice chairperson, secretary/treasurer, and other officers deemed
9 necessary, all to serve terms of one year. No chairperson or vice chairperson
10 shall serve more than two consecutive terms as chairperson or vice chairperson.

11 (2) Members of the board are eligible for reappointment by the
12 appointing authority. Any vacancy on the commission shall be filled for the
13 remaining portion of the term in the same manner as the original appointment.

14 (a) No member of the board, whether appointed by recommendation of
15 the nominating committee or the medical staff, shall serve more than three
16 consecutive terms.

17 (b) An appointee named to fill the term of a member who has left the
18 board and less than two years remain in the term, that appointee's term shall
19 not be considered one of the three consecutive terms to which a member is
20 limited.

21 (c) An appointee named to fill the term of a member who has left the
22 board and more than two years remain in the term, that appointee's term shall
23 be considered one of the three consecutive terms to which a member is limited.

24 (d) All vacancies on the board shall be filled by the appointing authority
25 within sixty days of the vacancy.

26 (3) The domicile of the board shall be the Slidell Memorial Hospital in
27 Slidell, Louisiana.

28 (4) The board shall hold regular meetings at least monthly and as often
29 as necessary for the conduct of its business. Special meetings may be called upon

1 forty-eight hour notice by the chairperson, or in his absence by the vice
2 chairperson or upon the written authorization of a majority of the members of
3 the board. Emergency meetings, providing notice of at least twenty-four hours,
4 may be called by the chairperson, or in his absence by the vice chairperson, or
5 by any three members of the board.

6 (5)(a) Each board member shall receive per diem not to exceed one
7 hundred dollars for each meeting attended. However, except in the case of an
8 emergency, no board member shall receive per diem for more than seven
9 meetings per month. The chairman or other officer of the board may receive
10 per diem for ten meetings per month. In the case of an emergency, the chairman
11 may receive per diem for more than ten meetings per month. Telephone or
12 video conferences for educational or managerial purposes may be considered
13 by the chairman of the board to be a meeting for which compensation may be
14 paid.

15 (b) Members of the board shall receive no additional compensation for
16 any other services rendered as commissioners.

17 (c) Members of the board, or physician, by reason of his service on the
18 board, shall not receive health insurance as compensation for service on the
19 board.

20 (d) Members of the board may be reimbursed for reasonable expenses,
21 for the board member only, to a professional or educational meeting or seminar
22 the subject matter of which would be directly beneficial to the service district.
23 Any board member seeking approval of such expenses shall make the request
24 in writing and shall present to the board a written report on the contents of the
25 meeting or seminar within sixty days of returning from the meeting or seminar.

26 (6) Each quarter, at regularly scheduled public meetings of the board a
27 financial overview of the current financial status of the district shall be
28 presented, taking into consideration both proprietary information and
29 information pertaining to marketing.

1 **(7) Each year, the board shall present to the appointing authority in a**
2 **regularly scheduled open meeting the audited and certified financial statement**
3 **for the previous fiscal year.**

4 **(8) Notwithstanding any other provision of law to the contrary, any**
5 **member of the board who is a licensed physician shall not be prohibited from**
6 **contracting or accepting employment with Slidell Memorial Hospital following**
7 **expiration of his service on the board of commissioners.**

8 **G. Any commissioner may be removed by majority vote of the board or**
9 **by the appointing authority, but only for cause, including misconduct,**
10 **incompetency or neglect of duty, and on charges preferred against the member**
11 **in writing and after public hearing and proof of the sufficiency of such charges.**
12 **Any commissioner so removed shall have the right to contest in the Twenty-**
13 **Second Judicial District Court the sufficiency of the charges and of the evidence**
14 **tendered in support thereof.**

15 **H. The district, acting by and through its board shall have and exercise**
16 **all rights, powers, and duties for the carrying out its objects and purposes**
17 **including but not limited to the following:**

18 **(1) To represent the public interest in providing medical care in the**
19 **parish.**

20 **(2) To advise the parish governing authority and the directors of health**
21 **care facilities under its control of problems concerning the operation of district**
22 **facilities.**

23 **(3) To make, amend, and repeal and to promulgate and enforce rules,**
24 **regulations, resolutions, guidelines, and organizational modifications**
25 **concerning the conduct of health care facilities in order to ensure proper and**
26 **reliable operation of such facilities.**

27 **(4) To conduct hearings and rule upon complaints by or against any**
28 **officer or employee of the district.**

29 **(5) To review and modify or set aside any action of the officers or**

1 employees of the district which the board may determine to be desirable or
2 necessary in the public interest.

3 (6) To appoint a chief executive officer of the hospital who shall be given
4 full responsibility and authority to manage the hospital in accordance with the
5 policies established by the board.

6 (7) To contract for the construction of facilities, the provision of services,
7 or in any other manner which will assist the board in providing quality health
8 care for the district.

9 (8) To appoint any standing and special committees as may be necessary
10 to carry out the purposes of the district.

11 (9)(a) To appoint or enter into an employment contract with a chief
12 executive officer. The board shall also appoint or enter into an employment
13 contract with a chief financial officer to oversee the financial matters of the
14 district.

15 (b) The chief executive officer shall report directly to the board of
16 commissioners.

17 (c) The chief financial officer shall report directly to the chief executive
18 officer, but shall maintain a fiduciary duty to the board of commissioners.

19 (10) To approve bylaws for the medical staff and for the board, to
20 suspend the bylaws at any time and for any length of time, and to require the
21 rewriting of all or part of such bylaws.

22 (11) To accept any or all officers elected by the medical staff, or to refuse
23 to accept any or all such officers, and to require the election of new officers.

24 (12)(a) To purchase and acquire lands and to purchase, acquire,
25 construct, and maintain health care facilities, including hospitals, clinics,
26 nursing homes, offices for health care professionals, laboratories, and any other
27 physical facilities necessary to carry out the purposes of the district.

28 (b) The board shall not relocate the primary health care facilities from
29 the municipal corporate limits of the city presently the domicile of the board of

1 commissioners without the consent of the governing authority of St. Tammany
2 Parish.

3 (13)(a) To contract, only until December 31, 2004, with the district
4 attorney to act as legal counsel for the district to advise on all legal matters
5 pertaining to the business of the district and to perform such other functions
6 with respect to the legal affairs of the district as the commission may direct.
7 After December 31, 2004, the district may employ legal counsel as determined
8 by the board of commissioners. However, at any time after June 27, 2003 the
9 board of may, without consultation with the district attorney, consult outside
10 counsel with approval by a simple majority vote of the board.

11 (14) To establish, maintain, and carry on its activities through one or
12 more profit or nonprofit corporations for the benefit of the district.

13 (15) To borrow money and to issue general obligation bonds, revenue
14 bonds, notes, certificates, or other evidences of indebtedness of the district in
15 order to accomplish any of its objects and purposes.

16 (16) To delegate authority to its officers appointees, and employees.

17 (17) To do any and all things except as limited by the Louisiana
18 Constitution which are necessary for and to the advantage of health care
19 facilities, including but not limited to the extension of privileges and use of
20 health care facilities to persons residing outside the district.

21 (18) In addition to other benefits, salary, and compensation, to offer
22 assistance through the district to members of the medical staff in order to
23 attract and retain competent staff, including but not limited to the following:

24 (a) The establishment of clinic or group practice.

25 (b) Malpractice insurance coverage under the health care facility's policy
26 of professional liability insurance.

27 (c) Professional fee billing.

28 (d) The opportunity to rent office space in facilities owned or operated
29 by the district.

1 (e) The employment of physicians by contracts for a fixed term.

2 (19)(a) The board may permit by a general or specific grant of authority
3 upon a majority vote of the board of commissioners a health care facility to
4 expend or contract to expend money, or incur liability, including a mortgage on
5 property, or enter into a contract or contracts which by the terms involves the
6 expenditure of money for purposes not provided for in the budget or which are
7 in excess of the amounts appropriated in the resolution of the commission
8 approving the budget for the next fiscal year.

9 (b) The board may itself upon a majority vote of the board of
10 commissioners expend, or contract to expend money, or incur liability,
11 including a mortgage on property, or enter into a contract or contracts which
12 by the terms involves the expenditure of money for purposes not provided for
13 in the budget or which are in excess of the amounts appropriated in the
14 resolution of the board approving the budget for the fiscal year.

15 (20) To attend and complete all education courses and seminars made
16 available or assigned to the board by the hospital, including but not limited to
17 state ethics laws, HIPAA, and preventing sexual harassment and fraud and
18 abuse.

19 §1098.3. Bylaws, compliance

20 The bylaws of the board and of the medical staff shall be made
21 compatible in all respects within the provisions of this Part. Any discrepancy
22 between the bylaws of the medical staff and this Part, or between the bylaws of
23 the board and this Part, shall be resolved in favor of this Part. In no case shall
24 the bylaws of the medial staff prevail against either this Part or the bylaws of
25 the board.

26 §1098.4. Board officers; powers, duties and responsibilities

27 The duties and responsibilities of the officers of the board of
28 commissioners shall be as follows:

29 A. The chairman shall preside over all meetings, decide all questions of

1 procedure, and have all authority generally granted to chairmen and other
2 presiding officers. Except as otherwise provided in this Part, he may vote on any
3 issue before the commission, and he shall vote to break a tie in any vote taken
4 by the commission. Except to break a tie, he shall have no vote in the selection
5 of the vice chairman. The chairman shall appoint all standing committees and
6 their officers not later than September 30, 1984 and annually thereafter, and he
7 shall appoint all other committees and their officers whether or not such
8 committees consist of commission members. The chairman shall have the right
9 and power to interest himself in all affairs of the district and the facilities
10 operated by the district.

11 B. The vice chairman shall act as chairman in the absence of the
12 chairman.

13 C. The secretary-treasurer shall issue notices of all regular and special
14 meetings, receive and attend to all correspondence of the commission, have
15 custody of all documents of the board, and otherwise perform such acts as
16 usually pertain to his office.

17 §1098.5. Chief executive officer; appointment, powers, duties and
18 responsibilities

19 A. The board of commissioners shall select, appoint, and employ a chief
20 executive officer, referred to in this Part as "CEO", who has training and
21 experience in the field of hospital administration and who is familiar with the
22 principles and methods of hospital and institutional care. He shall be a full-time
23 employee of the district and shall receive compensation as fixed by the board.
24 The board may contract with the CEO, or he may serve at its pleasure.

25 B. In addition to the powers, duties, and responsibilities conferred by any
26 other provisions of this Part, the CEO shall have the following powers, duties,
27 and responsibilities:

28 (1) To attend all meetings of the board.

29 (2) To establish positions of employment and to appoint and employ

1 personnel necessary for the operation of the health care facility or facilities
2 under his jurisdiction; to establish rates of pay and employee benefits; to
3 abolish positions; and to transfer, promote, demote, and otherwise alter the
4 status of employees of the facility or facilities.

5 (3) Within the rules, regulations, guidelines, directives, policies, and
6 procedures set forth by the board, to control and direct all business affairs of
7 the health care facility, including but not limited to the following:

8 (a) Maintaining the accounts of the district.

9 (b) Making necessary purchases of equipment, supplies, and materials.

10 (c) Making major and minor repairs to physical facilities.

11 (d) Negotiating and signing contracts.

12 (4) Within the rules, regulations, guidelines, directives, policies, and
13 procedures set forth by the board, to set and amend rates for all health care
14 services as deemed necessary for the proper fiscal operation of the health care
15 facility.

16 (5) To prepare and publish such reports regarding the work of the health
17 care facility as may be required by law or at the direction of the board.

18 (6) To ensure that the goals, directives, and policies relating to the
19 conduct of the affairs of the health care facility, as established by the board or
20 by state or federal laws, are carried out.

21 (7) To cooperate with the medical staff in the execution of the bylaws and
22 policies which the staff may establish.

23 (8) To prepare an annual budget for approval by the board.

24 (9) To provide for documentation and maintenance of appropriate
25 medical records and reports.

26 (10) To receive, record, and maintain a correct accounting of all gifts,
27 bequests, grants in aid, and other revenues for purposes designated, all subject
28 to any conditions that may be imposed in any act of donation or any law
29 providing grants in aid or other revenues for such purposes.

1 (11) To perform any other duties and functions which the CEO or the
2 board considers necessary or desirable to carry out the purposes of this Part.

3 (12) To serve as ex officio adviser to all committees of the commission
4 unless specifically excluded from this role by the board or its chairman.

5 §1098.6. Medical staff; appointment; duties, and responsibilities

6 A. The board shall appoint a medical staff to the health care facilities
7 owned or operated by the district. Such appointments may be made after
8 consultation with the physicians who are authorized to practice within the
9 health care facility or facilities.

10 B. The medical staff so appointed shall have the following duties:

11 (1) To provide professional care to the sick and injured.

12 (2) To advise and assist the board and the CEO relative to standards of
13 health care operation and professional problems.

14 (3) To participate in the educational activities of the district.

15 (4) To propose rules and regulations for the conduct of the medical staff
16 for board approval.

17 (5) To elect from its membership a chief of staff, a vice chief of staff, and
18 a secretary-treasurer. If the medical staff of the health care facility is
19 departmentalized, the staff shall also select from its membership the heads of
20 any specialized services of the health care facility. Subsequent to the election,
21 the elected heads of specialized services shall be approved by a committee
22 consisting of the chairman of the board, who shall serve as chairman of the
23 committee, the CEO, and the newly elected chief of staff. If an elected head of
24 a specialized service is not approved by the committee, the committee shall
25 nominate at least two qualified staff members for the position of head of the
26 specialized service, and the staff shall elect one from those nominated.

27 (6) To consult with the board in the appointment of a CEO.

28 §1098.7. Sale of ownership or control of hospital

29 Notwithstanding any other law to the contrary, the board may sell to any

1 person an ownership interest in the district hospital that results in the acquiring
2 person holding a less than fifty percent interest in the ownership or control of
3 the hospital. The provisions of R.S. 33:4341 shall not apply to any sale pursuant
4 to the authority granted in this Section.

5 §1098.8. Tax collection and allocation of proceeds

6 For the purpose of providing revenue to carry out the objects
7 contemplated hereby, the board may levy and collect annually a special tax not
8 to exceed five mills on all property in the district subject to such tax in
9 accordance with Article VI, Section 32 of the Louisiana Constitution, subject to
10 approval by a majority of the electors of the district voting at an election called
11 by the board of commissioners and held for that purpose. The tax shall be
12 collected in the same manner as other special taxes. The avails of any such tax
13 shall be used solely for acquisition, construction, improvement, maintenance,
14 and operation of health care facilities or improvements.

15 §1098.9. Authority to issue bonds; continuation of prior obligations

16 A. The board shall have the power to issue bonds for the purpose of
17 constructing, acquiring, extending, and improving health care facilities of the
18 district pursuant to Article VI, Section 33 of the Louisiana Constitution and
19 other constitutional and statutory authority supplemental thereto. Such bonds
20 may be issued only after authorization by a majority of voters in the district
21 voting at an election called by the commission and held for that purpose.

22 B. Bonds or other obligations secured by Slidell Memorial Hospital on
23 August 1, 1984, shall continue to be secured by both the hospital and the district
24 until they are retired.

25 §1098.10. Contracts; cooperation

26 The Slidell Memorial Hospital may contract to receive or offer
27 agreements for materials, services, or supplies pursuant to a shared service or
28 group purchasing arrangement with other hospitals, either public or private,
29 in accordance with the provisions of R.S. 38:2211 et seq. In addition, Slidell

1 Memorial Hospital, and the district, shall otherwise cooperate in all respects
2 possible for the best interests of the citizens of St. Tammany Parish.

3 §1098.11. Liberal construction

4 This Part, being intended to carry out a function of the state to protect
5 the health and welfare of the inhabitants of the state to be affected thereby, shall
6 be liberally construed by the courts to effect its purposes.

7 §1098.12. Miscellaneous

8 Members or officers of the medical staff, employees or officers of the
9 health care facilities of the district, board members, and persons who occupy
10 management positions or any other office whatsoever for a facility of the district
11 or for the district may possess a property interest in or own stocks, bonds, or
12 other securities issued by health maintenance organizations and preferred
13 provider organizations and may refer members of these organizations to the
14 health care facilities of the district.

15 Section 2. The provisions of this Act shall supercede and control any conflicting
16 provisions of any Special Act creating St. Tammany Hospital Service District No. 2,
17 including in particular Act No. 180 of the Regular Session of 1984 Regular Session, as
18 amended by Act 353 of the 1986 Regular Session, Act 999 of the 1991 Regular Session, Act
19 570 of the 1992 Regular Session, Act 440 of the 1997 Regular Session, Acts 562 and 1214
20 of the 2003 Regular Session, Act 682 of the 2004 Regular Session, Act 536 of the 2006
21 Regular Session, Act 178 of the 2007 Regular Session, Act 394 of the 2010 Regular Session,
22 Act 141 of the 2011 Regular Session, Act 703 of the 2012 Regular Session, and Act 221 of
23 the 2018 Regular Session.

24 Section 3. This Act shall become effective upon signature by the governor or, if not
25 signed by the governor, upon expiration of the time for bills to become law without signature
26 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
27 vetoed by the governor and subsequently approved by the legislature, this Act shall become
28 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 Michael Bell.

DIGEST

SB 485 Original

2020 Regular Session

Hewitt

Present law creates, by special uncodified acts of the legislature, the two hospital service districts in St. Tammany Parish, termed the St. Tammany Parish Hospital Service District No. 1 and the St. Tammany Parish Hospital Service District No. 2, as the successors to the St. Tammany Parish Hospital Service District.

Proposed law incorporates the provisions of the uncodified acts relating to the St. Tammany Parish Hospital Service District No. 2 in Title 46 of the La. Revised Statutes of 1950.

Present law provides that St. Tammany Parish Hospital Service District No. 1 shall be comprised of all territory within Wards 1, 2, 3, 4, 5, and 10 of the parish and shall own and operate the St. Tammany Parish Hospital. St. Tammany Parish Hospital Service District No. 2 shall be comprised of all territory within Wards 6, 7, 8, and 9 of the parish and shall own and operate the Slidell Memorial Hospital.

Present law requires that both hospital districts have a governing board of commissioners, St. Tammany Parish Hospital Service District No. 1 having eight commissioners and St. Tammany Parish Hospital Service District No. 2 having nine.

Present law provides for each hospital district to have powers, duties, and responsibilities for the carrying out of its objects and purposes. Present law further provides for each hospital district commission officers and their chief executive officer to have certain powers, duties and responsibilities.

Present law provides for each hospital district to appoint a medical staff who shall have certain duties and responsibilities.

Present law provides for each hospital district to levy and collect a special tax annually not to exceed five mills on all property in the districts for the purpose of providing revenue to carry out the object of each district. Furthermore, present law provides that each hospital district has the power to issue bonds for the purpose constructing, acquiring, extending and improving health care facilities of the district pursuant to the Louisiana Constitution.

Proposed law retains present law.

Proposed law requires the nominating committee to insure that any potential nominee for the board of commissioners of St. Tammany Parish Hospital Service District No. 2 does not have a conflict of interest under the rules of the Louisiana Code of Governmental Ethics.

Proposed law provides for the nominating committee of St. Tammany Parish Hospital Service District No. 2 to make every reasonable effort to include a business executive with at least an MBA or equivalent degree and five years of experience in operating a large business corporation or large non-profit corporation, in its nomination.

Proposed law requires the nominating committee and the appointing authority of St. Tammany Parish Hospital Service District No. 2 to conduct their meeting and fulfill their duties by December 15th of each year.

Proposed law provides that the board of St. Tammany Parish Hospital District No. 2 may appoint a former member of the board of commissioners to serve as a non-voting "Commissioner Emeritus" to advise and provide historical perspective to the board when requested to do so by the chairman of the board.

Provides that the provisions of this Act shall supercede and control any conflicting provisions of any special Act of the Legislature creating the St. Tammany Hospital Service District No. 2.

Effective August 1, 2020.

(Adds R.S. 46:1098.1-1098.12)