

SENATE BILL NO. 518 (Substitute of Senate Bill No. 485 by Senator Hewitt)

BY SENATOR HEWITT

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 1098.18, 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 Be it enacted by the Legislature of Louisiana:

9 Section 1. Part VI of Chapter 10 of Title 46 of the Louisiana Revised Statutes of
10 1950, comprised of 46:1098.1 through 1098.18, is hereby enacted to read as follows:

11 **PART VI. ST. TAMMANY PARISH HOSPITAL SERVICE**

12 **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 political subdivision of the state, referred to in this Part as the**
18 **"district". The district is hereby granted all of the rights, powers, privileges,**
19 **and immunities accorded by law and the Constitution of Louisiana to political**
20 **subdivisions of the state, subject to the limitations provided in this Part.**

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

24 **C. The district is created for the following purposes:**

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

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

3 **(3) To promote and conduct scientific research and training related to**
4 **health care.**

5 **(4) To participate, so far as circumstances may warrant, in any activity**
6 **designated and conducted to promote the general health of the community. The**
7 **district shall cooperate with the parish health department in the detection,**
8 **prevention, and combating of any illness, mass immunization and screening**
9 **tests, or public health education that contributes to the best interest of the**
10 **public.**

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

13 **D. The district shall constitute a body corporate in law with all the**
14 **powers of a corporation; shall have perpetual existence; and shall have the**
15 **power and right to incur debts and contract obligations, to sue and be sued, and**
16 **to do and perform any and all acts in its corporate capacity and its corporate**
17 **name necessary and proper for the carrying out of the objects and purposes for**
18 **which the district was created. The district shall have the right and power of**
19 **expropriating property for the purpose of acquiring land for any purpose that**
20 **it may find necessary in the operation of a hospital service district and may**
21 **acquire by donation or purchase, any existing hospital facility in the district. It**
22 **shall also have the power and authority to acquire any and all necessary**
23 **equipment and buildings for the purpose of performing the objects for which**
24 **it is formed, and shall own all sites and physical facilities, which are acquired**
25 **either by donation, purchase, expropriation, exchange, or otherwise, in full**
26 **ownership. The provisions of this Subsection shall be subject to the limitations**
27 **of this Part.**

28 **E. The district shall have an audit and examination of its books and**
29 **accounts conducted annually by a qualified certified public accountant. The**
30 **audit shall be filed with the legislative auditor within six months after the close**

1 of the period audited. The legislative auditor shall have the authority to
2 prescribe the terms and conditions of the audit conducted by a certified public
3 accountant and to require the district to present the terms and conditions to
4 him for approval prior to the commencement of the audit. The legislative
5 auditor shall have access to the working papers of the accountant during the
6 examination and subsequent to its termination. The legislative auditor shall be
7 authorized to conduct an independent audit and examination of the books and
8 accounts of the district pursuant to R.S. 24:513.

9 F. The district may establish by resolution any health care facility as a
10 profit or nonprofit corporation as defined by law. The district shall have a
11 corporate seal. Copies of all the regulations and copies of proceedings of the
12 board certified by its secretary-treasurer, under its corporate seal, shall be
13 received in all courts as prima facie evidence of the acts and proceedings of the
14 commission.

15 §1098.2. Domicile and membership of the board of commissioners

16 A. The domicile of the board shall be the Slidell Memorial Hospital in
17 Slidell, Louisiana.

18 B. In order to provide for effectuation of the purposes of the district, the
19 district shall be administered and governed by a board of commissioners,
20 referred to in this Part as the "board", comprised of nine commissioners as
21 follows:

22 (1) Seven members, appointed pursuant to R.S. 46:1098.5, all of whom
23 shall be registered to vote in and shall be residents and domiciliaries of Wards
24 6, 7, 8, or 9 of St. Tammany Parish for not less than two years prior to
25 appointment.

26 (2) Two members shall be appointed by Slidell Memorial Hospital
27 pursuant to R.S. 46:1098.4.

28 §1098.3. Nominating committee

29 A. Commissioners appointed to the board, except those named by the
30 Slidell Memorial Hospital medical staff, shall be chosen by the appointing

1 authority as provided for in R.S. 46:1098.5, from nominations received from the
2 nominating committee composed of nine members as provided in this Section.
3 Members of the permanent nominating committee shall be appointed from
4 entities outlined in this Section and shall submit a copy of their appointments
5 to the state senator in whose district Slidell Memorial Hospital resides. The state
6 senator shall be responsible for ensuring the proper appointment of all
7 members of the nominating committee pursuant to this Section, calling and
8 providing proper notice of all meetings of the nominating committee, and
9 maintaining all appropriate documentation of the nominating committee. The
10 nominating committee shall select annually a chairman to conduct meetings of
11 the committee.

12 B. The nominating committee shall be composed as follows:

13 (1) Three persons, appointed jointly by the mayor and the city council
14 of Slidell, who reside within the city limits of Slidell.

15 (2) Three persons, appointed jointly by the parish president and the
16 parish governing authority of St. Tammany Parish, who reside within the
17 geographical boundaries of the district.

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

22 C. All members of the nominating committee shall serve terms of three
23 years.

24 D.(1) All members of the nominating committee shall:

25 (a) Seek applications from the community as a whole by widely
26 publicizing the openings on the board of commissioners' website and in the
27 newspaper of public record.

28 (b) Seek applications from a broad section of community organizations
29 and shall obtain nominations from each of Wards 6, 7, 8, and 9 of St. Tammany
30 Parish where feasible.

1 **(2) Public interviews of the applicants shall be conducted.**

2 **(3) The nominating committee shall attempt to identify whether any**
3 **potential nominee has a conflict of interest that would preclude his or her**
4 **participation as a member of the board of commissioners under the Louisiana**
5 **Code of Governmental Ethics.**

6 **E. The nominating committee should make every reasonable effort to**
7 **include in its nominations at least one person from each of the following**
8 **categories:**

9 **(1) A member of the Louisiana State Bar Association in good standing**
10 **who has considerable experience or expertise in hospital representation.**

11 **(2) A certified public accountant authorized to practice in Louisiana with**
12 **a minimum of five years experience in audit and financial procedures of**
13 **hospitals.**

14 **(3) A person with at least a bachelor's degree and five years of financial**
15 **experience in commercial and bond work.**

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

18 **(5) A health professional with five years experience in the previous ten**
19 **years in either a hospital or other direct care setting.**

20 **(6) A business executive with at least an MBA or equivalent degree and**
21 **five years of experience in operating a large business corporation or large**
22 **nonprofit corporation.**

23 **F. Members of the nominating committee shall not be public officials.**

24 **G. The nominating committee shall hold interviews in a public forum**
25 **and as a result of the forum present to the appointing authority, pursuant to this**
26 **Section, a list of a minimum of two and a maximum of three nominees for each**
27 **position to be filled.**

28 **§1098.4. Board nominations by Slidell Memorial Hospital**

29 **Slidell Memorial Hospital Appointments. The board members from the**
30 **Slidell Memorial Hospital medical staff shall be nominated and appointed as**

1 follows:

2 (1) Two practicing medical staff members of Slidell Memorial Hospital
3 shall be nominated by the medical staff of the hospital. One nominee shall be the
4 current chief of the medical staff or his medical staff designee, and the other
5 shall be a staff member who regularly treats patients at the hospital and who
6 has the majority of his practice at Slidell Memorial Hospital. Both physician
7 nominees shall have long-standing professional ties to Slidell Memorial
8 Hospital. Medical staff nominees are not required to reside within the
9 geographical boundaries of the district.

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

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

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

28 §1098.5. Appointing authority

29 A. The members of the board of commissioners shall be appointed in a
30 public forum by the appointing authority from the list of nominees within thirty

1 days of receipt of the nominations pursuant to R.S. 46:1098.3.

2 B. The appointing authority shall be composed of seven members as
3 follows:

4 (1) One appointee of the Slidell city council who resides within the city
5 limits of Slidell.

6 (2) One appointee of the mayor of Slidell who resides within the city
7 limits of Slidell.

8 (3) One appointee of the St. Tammany Parish council who resides within
9 the geographical boundaries of the district.

10 (4) One appointee of the St. Tammany Parish president who resides
11 within the geographical boundaries of the district.

12 (5) One appointee of the governing authority of the town of Pearl River
13 who resides within the corporate limits of Pearl River.

14 (6) Two appointees of the state senator and the state representative in
15 whose district Slidell Memorial Hospital resides.

16 C. The state senator shall be responsible for ensuring the proper
17 appointment of all members of the nominating committee pursuant to this
18 Section, calling and providing proper notice of all meetings of the nominating
19 committee, and maintaining all appropriate documentation of the nominating
20 committee. The nominating committee shall select annually a chairman to
21 conduct meetings of the committee.

22 D.(1) The appointing authority members who are not elected officials
23 shall serve terms of three years.

24 (2) Elected officials serving on the appointing authority may serve for a
25 term commensurate with their term of office.

26 E. For board vacancies expected due to term limits, the appointing
27 authority shall conduct their meetings and fulfill their duties by December
28 fifteenth of each year in order that each appointee may have six months to
29 observe and orient to the board prior to taking their office on July first of the
30 following year. Orienting appointees shall be compensated at a per diem rate

1 and for reasonable expenses for attending meetings or education sessions of the
2 board prior to taking office.

3 §1098.6. Qualifications of board of commissioners

4 A.(1) No person owning or possessing any property interest in any of the
5 stocks, bonds, or other securities issued by any private hospital located in the
6 same area served by the district, and no person who is a director or other officer
7 of any private hospital shall be eligible for or hold any position on the board of
8 commissioners except those positions to be named by the Slidell Memorial
9 Hospital medical staff.

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

18 (3) For the purposes of this Subsection, the possession or ownership of
19 an interest, stocks, bonds, or other securities by the spouse or minor children
20 of any person shall be considered to be the possession or interest of such person.

21 B.(1) Members of the board are eligible for reappointment by the
22 appointing authority. Any vacancy on the commission shall be filled for the
23 remaining portion of the term in the same manner as the original appointment.

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

27 (b) If an appointee is named to fill the term of a member who has left the
28 board and less than two years remain in the term, that appointee's term shall
29 not be considered one of the three consecutive terms to which a member is
30 limited.

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

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

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

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

17 §1098.7. Rights, powers, and duties of board of commissioners

18 The district acting by and through its board shall have and exercise all
 19 rights, powers, and duties for the carrying out of its objects and purposes
 20 including but not limited to the following:

21 (1) To represent the public interest in providing medical care in the
 22 parish.

23 (2) To advise the parish governing authority and the directors of health
 24 care facilities under its control of problems concerning the operation of district
 25 facilities.

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

30 (4) To conduct hearings and rule upon complaints by or against any

1 officer or employee of the district.

2 (5) To review and modify or set aside any action of the officers or
3 employees of the district which the board may determine to be desirable or
4 necessary in the public interest.

5 (6)(a) To select, appoint, and enter into an employment contract with a
6 chief executive officer of the hospital who shall be given full responsibility and
7 authority to manage the hospital in accordance with the policies established by
8 the board.

9 (b) The chief executive officer's employment contract may be for a fixed
10 term.

11 (c) The chief executive officer shall report directly to the board of
12 commissioners.

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

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

18 (9)(a) To select, appoint, and enter into an employment contract with a
19 chief financial officer to oversee the financial matters of the district.

20 (b) The chief financial officer shall report directly to the chief executive
21 officer, but shall maintain a fiduciary duty to the board of commissioners.

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

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

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

1 **(b) The board shall not relocate the primary health care facilities from**
2 **the municipal corporate limits of the city presently the domicile of the board of**
3 **commissioners without the consent of the governing authority of St. Tammany**
4 **Parish.**

5 **(13) To employ legal counsel as determined by the board of**
6 **commissioners.**

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

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

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

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

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

20 **(a) The establishment of clinic and group practice.**

21 **(b) Malpractice insurance coverage under the health care facility's policy**
22 **of professional liability insurance.**

23 **(c) Professional fee billing.**

24 **(d) The opportunity to rent office space in facilities owned and operated**
25 **by the district.**

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

27 **(19)(a) To permit by a general or specific grant of authority upon a**
28 **majority vote of the board of commissioners, a health care facility to expend or**
29 **contract to expend money, or incur liability, including a mortgage on property,**
30 **or enter into a contract or contracts which by the terms involves the**

1 expenditure of money for purposes not provided for in the budget or which are
2 in excess of the amounts appropriated in the resolution of the commission
3 approving the budget for the next fiscal year.

4 (b) Upon a majority vote of the board of commissioners, to expend, or
5 contract to expend money, or incur liability, including a mortgage on property,
6 or enter into a contract or contracts which by the terms involves the
7 expenditure of money for purposes not provided for in the budget or which are
8 in excess of the amounts appropriated in the resolution of the board approving
9 the budget for the fiscal year.

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

14 (21) Notwithstanding any other provisions of law to the contrary, to
15 annually appoint a former member of the board to serve as a nonvoting
16 "Commissioner Emeritus" to advise and provide historical perspective to the
17 board when requested by the chairman. Such person shall be paid a per diem
18 equal to that paid to other board members for attendance at the meeting
19 together with reasonable expenses to attend any event attended by the board of
20 commissioners. The "Commissioner Emeritus" may not serve longer than one
21 year.

22 (22) At the beginning of each hospital fiscal year, to elect a chairperson,
23 vice chairperson, secretary/treasurer, and other officers considered necessary,
24 all to serve terms of one year. No chairperson or vice chairperson shall serve
25 more than two consecutive terms as chairperson or vice chairperson.

26 (23) To hold regular meetings at least monthly and as often as necessary
27 for the conduct of its business. Special meetings may be called upon with
28 forty-eight hour notice by the chairperson, or in his absence, by the vice
29 chairperson, or upon the written authorization of a majority of the members of
30 the board. Emergency meetings, providing notice of at least twenty-four hours,

1 may be called by the chairperson, or in his absence, by the vice chairperson, or
2 by any three members of the board.

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

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

13 (c) Members of the board, or a physician, by reason of his service on the
14 board, shall not receive health insurance as compensation for service on the
15 board.

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

22 (25) Each quarter, at regularly scheduled public meetings of the board,
23 to receive a financial overview of the current financial status of the district
24 which shall be presented, taking into consideration both proprietary
25 information and information pertaining to marketing.

26 (26) Each year, to present to the appointing authority in a regularly
27 scheduled open meeting the audited and certified financial statement for the
28 previous fiscal year.

29 §1098.8. Bylaws; compliance

30 The bylaws of the board and of the medical staff shall be made

1 compatible in all respects within the provisions of this Part. Any discrepancy
2 between the bylaws of the medical staff and this Part, or between the bylaws of
3 the board and this Part, shall be resolved in favor of this Part. In no case shall
4 the bylaws of the medial staff prevail against either this Part or the bylaws of
5 the board.

6 §1098.9. Board officers; powers, duties, and responsibilities

7 The duties and responsibilities of the officers of the board of
8 commissioners shall be as follows:

9 (1) The chairman shall preside over all meetings, decide all questions of
10 procedure, and have all authority generally granted to chairmen and other
11 presiding officers. Except as otherwise provided in this Part, he may vote on any
12 issue before the commission, and he shall vote to break a tie in any vote taken
13 by the commission. Except to break a tie, he shall have no vote in the selection
14 of the vice chairman. The chairman shall appoint all standing committees and
15 their officers not later than September 30, 2020, and annually thereafter, and
16 he shall appoint all other committees and their officers whether or not such
17 committees consist of commission members. The chairman shall have the right
18 and power to interest himself in all affairs of the district and the facilities
19 operated by the district.

20 (2) The vice chairman shall act as chairman in the absence of the
21 chairman.

22 (3) The secretary-treasurer shall issue notices of all regular and special
23 meetings, receive and attend to all correspondence of the commission, have
24 custody of all documents of the board, and otherwise perform such acts as
25 usually pertain to his office.

26 §1098.10. Chief executive officer; appointment, powers, duties, and
27 responsibilities

28 A. The board of commissioners shall select, appoint, and employ a chief
29 executive officer, referred to in this Part as "CEO", who has training and
30 experience in the field of hospital administration and who is familiar with the

1 principles and methods of hospital and institutional care. He shall be a full-time
2 employee of the district and shall receive compensation as fixed by the board.
3 The board may contract with the CEO, or he may serve at its pleasure.

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

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

8 (2) To establish positions of employment and to appoint and employ
9 personnel necessary for the operation of the health care facility or facilities
10 under his jurisdiction; to establish rates of pay and employee benefits; to
11 abolish positions; and to transfer, promote, demote, and otherwise alter the
12 status of employees of the facility or facilities.

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

16 (a) Maintaining the accounts of the district.

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

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

19 (d) Negotiating and signing contracts.

20 (4) Within the rules, regulations, guidelines, directives, policies, and
21 procedures set forth by the board, to set and amend rates for all health care
22 services as considered necessary for the proper fiscal operation of the health
23 care facility.

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

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

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

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

2 **(9) To provide for documentation and maintenance of appropriate**
3 **medical records and reports.**

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

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

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

12 **§1098.11. Medical staff; appointment; duties, and responsibilities**

13 **A. The board shall appoint a medical staff to the health care facilities**
14 **owned or operated by the district. Such appointments may be made after**
15 **consultation with the physicians who are authorized to practice within the**
16 **health care facility or facilities.**

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

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

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

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

22 **(4) To propose rules and regulations for the conduct of the medical staff**
23 **for board approval.**

24 **(5) To elect from its membership a chief of staff, a vice chief of staff, and**
25 **a secretary-treasurer. If the medical staff of the health care facility is**
26 **departmentalized, the staff shall also select from its membership the heads of**
27 **any specialized services of the health care facility. Subsequent to the election,**
28 **the elected heads of specialized services shall be approved by a committee**
29 **consisting of the chairman of the board, who shall serve as chairman of the**
30 **committee, the CEO, and the newly elected chief of staff. If an elected head of**

1 a specialized service is not approved by the committee, the committee shall
2 nominate at least two qualified staff members for the position of head of the
3 specialized service, and the staff shall elect one from those nominated.

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

5 §1098.12. Sale of ownership or control of hospital

6 Notwithstanding any other law to the contrary, the board may sell to any
7 person an ownership interest in the district hospital that results in the acquiring
8 person holding less than fifty percent interest in the ownership or control of the
9 hospital. The provisions of R.S. 33:4341 shall not apply to any sale pursuant to
10 the authority granted in this Section.

11 §1098.13. Tax collection and allocation of proceeds

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

21 §1098.14. Authority to issue bonds; continuation of prior obligations

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

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

1 **§1098.15. Contracts; cooperation**

2 **The Slidell Memorial Hospital may contract to receive or offer**
3 **agreements for materials, services, or supplies pursuant to a shared service or**
4 **group purchasing arrangement with other hospitals, either public or private,**
5 **in accordance with the provisions of R.S. 38:2211 et seq. In addition, Slidell**
6 **Memorial Hospital and the district shall otherwise cooperate in all respects**
7 **possible for the best interests of the citizens of St. Tammany Parish.**

8 **§1098.16. Minority partner**

9 **Only in the event that Slidell Memorial Hospital should acquire a**
10 **minority partner with a share of less than fifty percent of the assets of the**
11 **hospital, shall the board of commissioners be empowered to allow**
12 **representation of the minority partner on the board.**

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

16 **(2) Such board members shall be appointed by the minority shareholder**
17 **to serve initial terms of one year and two years respectively.**

18 **(3) Subsequently, these appointees of the minority shareholder shall**
19 **serve full four-year terms.**

20 **(4) No other restrictions or qualifications shall apply to board members**
21 **appointed by a minority shareholder, except with regard to term limitations**
22 **contained herein.**

23 **§1098.17. Liberal construction**

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

27 **§1098.18. Miscellaneous**

28 **Members or officers of the medical staff, employees or officers of the**
29 **health care facilities of the district, board members, and persons who occupy**
30 **management positions, or any other office whatsoever for a facility of the**

1 district or for the district may possess a property interest in or own stocks,
 2 bonds, or other securities issued by health maintenance organizations and
 3 preferred provider organizations and may refer members of these organizations
 4 to the health care facilities of the district.

5 Section 2. The provisions of this Act shall supercede and control any conflicting
 6 provisions of any Special Act creating St. Tammany Hospital Service District No. 2,
 7 including in particular Act No. 180 of the Regular Session of 1984, as amended by Act 353
 8 of the 1986 Regular Session, Act 999 of the 1991 Regular Session, Act 570 of the 1992
 9 Regular Session, Act 440 of the 1997 Regular Session, Acts 562 and 1214 of the 2003
 10 Regular Session, Act 682 of the 2004 Regular Session, Act 536 of the 2006 Regular Session,
 11 Act 178 of the 2007 Regular Session, Act 394 of the 2010 Regular Session, Act 141 of the
 12 2011 Regular Session, Act 703 of the 2012 Regular Session, and Act 221 of the 2018
 13 Regular Session.

14 Section 3. This Act shall become effective upon signature by the governor or, if not
 15 signed by the governor, upon expiration of the time for bills to become law without signature
 16 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 17 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 18 effective on the day following such approval.

 PRESIDENT OF THE SENATE

 SPEAKER OF THE HOUSE OF REPRESENTATIVES

 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____