

ACT No. 432

2024 Regular Session

HOUSE BILL NO. 558

BY REPRESENTATIVES TURNER AND THOMPSON

1 AN ACT

2 To amend and reenact R.S. 40:1248.1(3) and (6), 1248.3, 1248.7(A) and (C)(1) and (2), and
3 1248.8(A) through (D), to enact R.S. 40:1248.1(7) and 1248.5(D), and to repeal R.S.
4 40:1248.11 and 1248.12, relative to the Local Healthcare Provider Participation
5 Program; to provide for definitions; to provide for parish applicability; to identify
6 providers subject to the local hospital assessment payments; to provide a basis by
7 which hospital payments shall be assessed; to provide for an effective date; to repeal
8 provisions relative to enhanced reimbursement for rural and governmental
9 institutional providers; and to provide for related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 40:1248.1(3) and (6), 1248.3, 1248.7(A) and (C)(1) and (2), and
12 1248.8(A) through (D) are hereby amended and reenacted and R.S. 40:1248.1(7) and
13 1248.5(D) are hereby enacted to read as follows:

14 §1248.1. Definitions

15 As used in this Subpart, the following terms have the meaning ascribed to
16 them in this Section:

17 * * *

18 (3) "Institutional provider" means ~~a nongovernmental hospital licensed in~~
19 ~~accordance with the Hospital Licensing Law, R.S. 40:2100 et seq.~~ a governmental

1 institutional provider, nongovernmental institutional provider, or rural hospital, as
2 applicable, located in participating parishes.

3 * * *

4 (6) "~~Rural institutional provider~~ Rural hospital" means a rural hospital, ~~other~~
5 ~~than one~~ as defined in R.S. 40:1189.3, ~~that is licensed by the department, has no~~
6 ~~more than sixty hospital beds on November 1, 2020, and meets any of the following~~
7 ~~criteria:~~

8 (a) ~~Is located in a municipality with a population of not less than seven~~
9 ~~thousand persons and not more than seven thousand five hundred persons according~~
10 ~~to the most recent federal decennial census and in a parish with a population of not~~
11 ~~less than thirty thousand persons and not more than thirty-five thousand persons~~
12 ~~according to the most recent federal decennial census.~~

13 (b) ~~Is located in a municipality with a population of not less than ten~~
14 ~~thousand persons and not more than ten thousand five hundred persons according to~~
15 ~~the most recent federal decennial census and in a parish with a population of not less~~
16 ~~than eighty thousand persons and not more than ninety thousand persons according~~
17 ~~to the most recent federal decennial census.~~

18 (c) ~~Is located in a municipality with a population of not less than three~~
19 ~~thousand persons and not more than three thousand five hundred persons according~~
20 ~~to the most recent federal decennial census and in a parish with a population of not~~
21 ~~less than thirty thousand persons and not more than thirty-five thousand persons~~
22 ~~according to the most recent federal decennial census.~~

23 (7) "Nongovernmental institutional provider" means a hospital licensed in
24 accordance with the Hospital Licensing Law, R.S. 40:2100 et seq., that is not a
25 governmental institutional provider or rural hospital.

26 * * *

27 §1248.3. Applicability

28 The provisions of this Subpart shall apply ~~exclusively to the following~~
29 ~~parishes:~~ any parish in which at least two institutional providers are located.

1 C. Monies in the local provider participation fund may be used only for one
2 or more of the following purposes:

3 (1) To fund intergovernmental transfers from a parish to the state to provide
4 the nonfederal share of a program of Medicaid payments for the benefit of ~~rural~~
5 ~~institutional providers or other~~ hospitals in the parish ~~authorized under the Medicaid~~
6 ~~state plan.~~

7 (2) To pay the administrative expenses of a parish associated exclusively
8 with activities authorized by this Subpart in an amount not to exceed the amount
9 specified in R.S. 40:1248.8 ~~five percent of the local hospital assessment payment.~~

10 * * *

11 §1248.8. Local hospital assessment payments; basis; calculation

12 A. Except as provided in Subsection E of this Section, a parish that collects
13 a local hospital assessment payment authorized by this Subpart may require an
14 annual local hospital assessment payment to be assessed quarterly using any basis
15 permitted by 42 U.S.C. 1396b(w)(3) ~~on the net patient revenue of each institutional~~
16 ~~provider located in the parish. In the first year in which the local hospital assessment~~
17 ~~payment is required, the local hospital assessment payment shall be assessed on the~~
18 ~~net patient revenue of an institutional provider as determined by the most recently~~
19 ~~filed Medicaid cost report.~~ The parish shall update the amount of the local hospital
20 assessment payment on an annual basis.

21 B. ~~The amount of a local hospital assessment payment~~ authorized by this
22 Subpart shall be uniformly imposed on ~~proportionate with the amount of net patient~~
23 ~~revenue generated by~~ each paying hospital in the parish. In accordance with 42
24 U.S.C. 1396b(w), a local hospital assessment payment authorized by this Subpart
25 shall not hold harmless any institutional provider.

26 C. A parish that collects a local hospital assessment payment authorized by
27 this Subpart shall set the amount of the local hospital assessment payment. The
28 amount of the local hospital assessment payment required of paying hospitals may
29 not exceed an amount that, when added to the amounts ~~amount of the local hospital~~

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

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____