
DIGEST

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HB 607 Engrossed

2025 Regular Session

Zeringue

Abstract: Prohibits a hospital service district and its affiliates from establishing, operating, or locating any healthcare facility which is owned or controlled by a hospital service district or its affiliate outside of the geographic limits of its district boundaries absent the consent of the affected hospital service district.

Proposed law defines "affiliate", "healthcare facility", and "shared relationship".

Proposed law prohibits a hospital service district and its affiliates from establishing, operating, or locating any healthcare facility which is owned or controlled by a hospital service district or its affiliate outside of the geographic limits of its district boundaries, except as otherwise provided for in proposed law.

Proposed law provides that a private right of action to enforce the provisions of proposed law shall exist in favor of a hospital service district when another hospital service district or its affiliate establishes, operates, or locates a healthcare facility within the geographic limits of its district boundaries without full compliance with the provisions of proposed law.

Proposed law provides that the provisions of proposed law are not applicable when there is no hospital service district in legal existence for the proposed location of the healthcare facility, or when the two hospital service districts have entered into a written cooperative endeavor agreement approved by the governing boards of both hospital service districts or their designees.

Proposed law provides that hospital service districts are authorized to consent to the establishment, operation, and location of any healthcare facility which is owned, controlled or affiliated with a hospital service district or an affiliate thereof which is located in another parish, or located in another hospital service district within the same parish.

Proposed law provides that the notice required by proposed law shall include but not be limited to all of the following:

- (1) The location of the proposed healthcare facility.
- (2) A detailed description of the ownership and control of the entity seeking approval for the proposed location, and any affiliates.
- (3) The specific primary, specialized, and ancillary healthcare services to be offered at the

proposed healthcare facility.

- (4) The number of licensed and non-licensed clinical care providers who will be assigned either full-time or part-time to provide clinical services at the proposed healthcare facility, as well as the number of administrative staff to be assigned to the proposed healthcare facility.
- (5) The days of the week and hours of operation of the proposed healthcare facility.
- (6) A notarized affidavit from the chief executive officer of the entity seeking approval for the proposed healthcare facility attesting to whether such entity had previously sought to provide such services jointly or otherwise on a cooperative basis with the hospital service district in whose territory the proposed healthcare facility would be located, and the outcome of any such discussions.
- (7) A statement of which healthcare services require a higher level of care than those provided at the proposed healthcare facility would be referred back to the home parish of the hospital service district seeking approval for the healthcare facility.
- (8) A statement of whether the proposed healthcare facility will accept Medicaid patients.
- (9) A description of the method for calculating the financial cost of the proposed healthcare facility.
- (10) Whether the hospital service district or its affiliate that is seeking approval for the proposed healthcare facility is a governmental or nonprofit organization and a detailed description of information required by proposed law.
- (11) The schedule for construction and operation.
- (12) A description of any licenses, permits, zoning changes, and variances which the applicant believes will be required to be obtained from any local or state governmental authority in connection with the proposed healthcare facility.
- (13) Any applications, permits, licenses or approvals filed, applied for or issued prior to the determination of the governing board of the affected hospital service district.

Proposed law provides that an application seeking approval for any necessary building permits, zoning variances, certificates of occupancy, and any other permits and licenses required by applicable local or state laws shall not be filed with any local or state governmental authority for at least 120 days after the delivery of the notice to the affected hospital service district.

Proposed law provides that the aforementioned application shall not be considered complete and ready for approval, unless the application includes all of the following:

- (1) A certified resolution of the governing board of the affected hospital service district granting

its consent to the proposed healthcare facility.

- (2) A resolution from the governing board of the hospital service district or its affiliate seeking approval for such healthcare facility attesting that the proposed healthcare facility will be operated in strict accordance with the content of the notice and acknowledging that a failure to conduct the operations of the proposed healthcare facility in accordance with the information in the notice shall result in withdrawal of the approvals, consents, and licenses for the operation of the healthcare facility.

Proposed law prohibits a hospital service district or its affiliate from establishing, owning, or operating a healthcare facility within the boundaries of another parish, or within the boundaries of another hospital service district within its same parish, without the express written consent of the hospital service district.

Proposed law provides that, prior to giving its approval and consent for a proposed healthcare facility to be located in its geographic limits, the affected hospital service district may hold a public meeting.

Proposed law provides that the provisions of proposed law shall not apply to any healthcare facility that was located, established, and in actual operation by a hospital service district without written consent of the impacted hospital district prior to the effective date of proposed law.

Proposed law further provides that a hospital district that has been affected by a healthcare facility owned, leased, or affiliated with a another hospital service district may operate the same number of healthcare facilities in the offending hospital service district without regard to the provisions of proposed law.

Proposed law provides that the application of proposed law shall be prospective from the effective date.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 46:1069.2)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Health and Welfare to the original bill:

1. Clarify the definition of "affiliate" of a hospital service district.
2. Provide for applicability.
3. Make technical changes.