



1           WHEREAS, negotiations for the prospective cooperative endeavor agreements, in  
2           which critical matters of public finance and public health policy will presumably be  
3           determined, are being conducted in secret; and

4           WHEREAS, the forerunner of privatization agreements of this type was one  
5           involving the Earl K. Long Medical Center in Baton Rouge and Our Lady of the Lake  
6           Regional Medical Center, hereafter referred to as "OLOL"; and

7           WHEREAS, despite the Earl K. Long/OLOL cooperative endeavor agreement having  
8           been conceived prior to 2009, executed in February of 2010, and amended multiple times  
9           since then, the state has been unable to resolve numerous shortcomings in the transfer of  
10          vital health care services to a private operator; and

11          WHEREAS, as evidenced by the final passage of House Bill No. 1493 of the 2010  
12          Regular Session, the Legislature of Louisiana intends that the state parties to privatization  
13          of a public hospital should undertake an open, earnest, and transparent effort to report to the  
14          legislature on the fiscal and public health consequences of hospital privatization; and

15          WHEREAS, because the current statewide effort to privatize all but one of LSU's ten  
16          hospitals is being implemented in a manner which entirely precludes any legislative  
17          oversight or approval, the purpose of this Resolution is to require key data to be reported  
18          annually to the legislature so that this branch of government may be fully informed and  
19          better able to fulfill essential responsibilities for public finance and public health policy to  
20          which it has been entrusted by the people of this state.

21          THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby  
22          direct the division of administration, the Department of Health and Hospitals, and the Board  
23          of Supervisors of Louisiana State University and Agricultural and Mechanical College,  
24          acting jointly, to develop and submit a report to the House and Senate committees on health  
25          and welfare and to the Joint Legislative Committee on the Budget no later than thirty days  
26          prior to the convening of the 2014 Regular Session of the Legislature of Louisiana, and  
27          annually thereafter, concerning the operation of state hospitals by private providers.

28          BE IT FURTHER RESOLVED that the report shall include, at minimum, the  
29          following information for each state hospital operated by a private provider:

1 (1) A detailed account of the net costs or savings associated with the privatization  
2 of hospital operations.

3 (2) A recapitulation of the measures reported to the Centers for Medicare and  
4 Medicaid Services through the Hospital Compare program, including Hospital Outcome of  
5 Care measures, Hospital Process of Care measures, and Survey of Patients' Hospital  
6 Experiences measures.

7 (3) A comparison of employment information for the hospital prior to and  
8 subsequent to privatization, including the number of employees terminated and the number  
9 subsequently rehired; the average compensation, including wages, benefits, and retirement  
10 contributions, for hospital employees prior to and subsequent to privatization; a comparison  
11 of average compensation of employees terminated and subsequently rehired pursuant to  
12 privatization; and a comparison of the number of credentialed personnel employed at the  
13 hospital by professional category, including but not limited to physicians, allied health  
14 professionals, registered nurses, and licensed practical nurses, prior to and subsequent to  
15 privatization.

16 (4) A comparison of actual costs to the state of delivering hospital services through  
17 the private provider with the best estimate of costs to the state of delivering the same level  
18 of services directly, including but not limited to per diem costs for inpatient care. This  
19 analysis shall include capital costs whether or not such costs are reflected in the cooperative  
20 endeavor agreement or elsewhere in the state budget.

21 (5) Measures of accessibility of health care services at the hospital by medically  
22 needy patients prior to and subsequent to privatization, along with recommendations for  
23 mitigating or eliminating any barriers to health care access which medically needy persons  
24 experience.

25 (6) Evaluation of overall health outcomes and quality of care for medically needy  
26 patients in the catchment area of the hospital prior to and subsequent to privatization, along  
27 with recommendations for policy changes to improve such outcomes and quality of care.  
28 Measurements on which the authors of the report base the evaluation shall be derived from  
29 a metric which is generally accepted by public and private health care providers such as the  
30 Healthcare Effectiveness Data and Information Set (HEDIS).

1 (7) If obstetrics, gynecology, contraception, or other health services for women are  
2 not offered by the private provider operating a state hospital, then the report shall address  
3 means by which the state provides for access to health services for women in the catchment  
4 area of the hospital.

5 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the  
6 office of the governor, the commissioner of administration, the secretary of the Department  
7 of Health and Hospitals, and the chairman of the Board of Supervisors of Louisiana State  
8 University and Agricultural and Mechanical College.

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#### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Barrow

HCR No. 139

Directs DOA, DHH, and LSU to develop and submit a report to the legislative health and welfare committees and to the Joint Legislative Committee on the Budget no later than 30 days prior to the convening of the 2014 R.S., and annually thereafter, concerning the operation of state hospitals by private providers which includes, at minimum, the following information for each state hospital operated by a private provider through a cooperative endeavor agreement with the state:

- (1) A detailed account of the net costs or savings associated with the privatization of hospital operations.
- (2) A recapitulation of the measures reported to the Centers for Medicare and Medicaid Services through the Hospital Compare program.
- (3) A comparison of employment information for the hospital prior to and subsequent to privatization, including the number of employees terminated and the number subsequently rehired; the average compensation, including wages, benefits, and retirement contributions, for hospital employees prior to and subsequent to privatization; a comparison of average compensation of employees terminated and subsequently rehired pursuant to privatization; and a comparison of the number of credentialed personnel employed at the hospital by professional category, including but not limited to physicians, allied health professionals, registered nurses, and licensed practical nurses, prior to and subsequent to privatization.
- (4) A comparison of actual costs to the state of delivering hospital services through the private provider with the best estimate of costs to the state of delivering the same level of services directly, including but not limited to per diem costs for inpatient care.
- (5) Measures of accessibility of health care services at the hospital by medically needy patients prior to and subsequent to privatization, along with recommendations for mitigating or eliminating any barriers to health care access which medically needy persons experience.
- (6) Evaluation of overall health outcomes and quality of care for medically needy patients in the catchment area of the hospital prior to and subsequent to privatization,

along with recommendations for policy changes to improve such outcomes and quality of care.

- (7) If obstetrics, gynecology, contraception, or other health services for women are not offered by the private provider operating a state hospital, then the report shall address means by which the state provides for access to health services for women in the catchment area of the hospital.