

2016 Regular Session

SENATE BILL NO. 253

BY SENATOR PEACOCK

FUNDS/FUNDING. Provides for a limitation relative to certain appropriations to the LSU Health Sciences Center of Shreveport. (7/1/17)

1 AN ACT

2 To enact R.S. 17:1517(D)(5) and (6), relative to limitations on certain appropriations to the
3 LSU Health Sciences Center at Shreveport; to provide for the responsibility for the
4 monies appropriated for certain legacy costs associated with the privatization of the
5 hospitals that are a part of the LSU Health Sciences Center at Shreveport; to provide
6 for an effective date; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 17:1517(D)(5) and (6) are hereby enacted to read as follows:

9 §1517. Louisiana State University and Agricultural and Mechanical College Medical
10 School at Shreveport; Louisiana State University Health Sciences
11 Center at Shreveport; composition

12 * * *

13 D. The Board of Supervisors of Louisiana State University and Agricultural
14 and Mechanical College as a body corporate shall have authority to exercise all
15 power to direct, control, supervise, and manage the Louisiana State University
16 Hospital at Shreveport, including but not limited to the following:

17 * * *

1 **(5)(a) Notwithstanding any other provision of law to the contrary, in any**
2 **fiscal year that monies are not appropriated for the payment of certain legacy**
3 **costs directly associated with or relative to the hospitals that are a part of the**
4 **Louisiana State University Health Sciences Center at Shreveport that have been**
5 **privatized under a hospital cooperative endeavor agreement between the Board**
6 **of Supervisors of Louisiana State University and Agricultural and Mechanical**
7 **College as established by Article VIII, Section 7 of the Constitution of Louisiana**
8 **and a nonpublic party, it shall be the responsibility of the division of**
9 **administration for the payment of such legacy costs as provided in this**
10 **Paragraph.**

11 **(b) Additionally, in the event of a budget deficit or fiscal emergency**
12 **during any fiscal year, neither the appropriations for such legacy costs to the**
13 **Louisiana State University Health Services Center at Shreveport nor the**
14 **personnel associated with such monies shall be reduced from the health sciences**
15 **center to offset or compensate for such deficit or fiscal emergency.**

16 **(6) Legacy costs shall include, but are not limited to, liability and**
17 **insurance coverage for worker's compensation, medical malpractice, and**
18 **property claims; auditing costs; civil service and training costs; personnel costs**
19 **such as termination pay, unemployment compensation, and retiree health and**
20 **life insurance benefits; and miscellaneous costs such as utilities, buildings and**
21 **grounds maintenance costs, or administrative costs.**

22 * * *

23 Section 2. This Act shall become effective on July 1, 2017; if vetoed by the governor
24 and subsequently approved by the legislature, this Act shall become effective on July 1,
25 2017, or on the day following such approval by the legislature, whichever is later.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Jay R. Lueckel.

DIGEST

SB 253 Original

2016 Regular Session

Peacock

Present law provides for the merger and composition of the LSU Medical School at Shreveport and the LSU Health Sciences Center at Shreveport.

Proposed law retains present law and specifies that in any fiscal year that monies are not appropriated for the payment of certain legacy costs of any hospitals that are part of the LSU Health Sciences Center at Shreveport that have been privatized, it shall be the responsibility of the division of administration for payment of such costs.

Proposed law also specifies that in the event of a budget deficit or fiscal emergency during any fiscal year, the appropriations for legacy costs and associated personnel shall not be reduced from the health sciences center to compensate for the deficit or fiscal emergency.

Proposed law further defines what legacy costs shall include, such as liability and insurance coverage for worker's compensation; medical malpractice and property claims; auditing costs, civil service and training costs; personnel costs such as termination pay, unemployment compensation, and retiree health and life insurance benefits; and other miscellaneous costs, such as utilities, buildings and grounds maintenance, or administrative costs.

Effective July 1, 2017.

(Adds R.S. 17:1517(D)(5) and (6))