

Regular Session, 2010

HOUSE BILL NO. 971

BY REPRESENTATIVE ABRAMSON

1 AN ACT

2 To enact R.S. 40:16.3, relative to state property; to authorize and empower the secretary of  
3 the Department of Health and Hospitals and the commissioner of administration to  
4 lease the John J. Hainkel, Jr., Home and Rehabilitation Center to the New Orleans  
5 Home for the Incurables; to specify certain terms and conditions of the lease; to  
6 authorize and empower the secretary of the Department of Health and Hospitals and  
7 the commissioner of administration to lease property at Southeast Louisiana Hospital  
8 to Beacon Behavioral Health; to provide for an effective date; and to provide for  
9 related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 40:16.3 is hereby enacted to read as follows:

12 §16.3. John J. Hainkel, Jr., Home and Rehabilitation Center; lease

13 A. The secretary of the Department of Health and Hospitals and the  
14 commissioner of administration are hereby authorized to execute a negotiated lease  
15 to the New Orleans Home for Incurables for the John J. Hainkel, Jr., Home and  
16 Rehabilitation Center, including the lease of the property, buildings, equipment,  
17 movable assets, and all other appurtenances of the facility, which is described as  
18 follows:

19 That portion of ground, together with all the buildings and improvements  
20 thereon and all the rights, ways, privileges, servitudes, appurtenances, and  
21 advantages thereunto belonging, or in anywise appertaining, situated in the Sixth  
22 District of the city of New Orleans, State of Louisiana, Burtheville, being all of  
23 Square 22, composed of Lots 1 through 24, bounded by Patton, Constance, Calhoun,  
24 and Henry Clay, and said square measures 317 feet 8 inches 5 lines (317 feet 6

1 inches 7 1/2 lines title) front on Patton, 311 feet 3 inches 0 lines (311 feet 6 1/2 lines  
 2 title) front on Constance, 289 feet 7 inches 4 lines (289 feet 3 inches 7 lines 7 inches  
 3 title) front on Henry Clay, containing 91,063.10 square feet; all in accordance with  
 4 survey of Joseph F. Varisco, Jr., dated November 14, 1975, resurveyed January 23,  
 5 1976. And, according to a survey of Joseph F. Varisco, Jr., dated September 14,  
 6 1977, revised November 27, 1979, said property has the same actual dimensions,  
 7 encompasses all of Square 22 and contains improvements known as 612 Henry Clay  
 8 Avenue.

9 B. The lease of property by the secretary and the commissioner shall be  
 10 expressly exempted from the provisions of R.S. 41:1211 et seq., relative to the lease  
 11 of public land.

12 C. The secretary and the commissioner of administration shall be authorized  
 13 and empowered to execute the appropriate instrument or instruments, and any  
 14 corrections thereof, to effectuate the lease of the property described in Subsection A  
 15 of this Section. Additionally, the secretary and the commissioner of administration  
 16 shall hereby be authorized and empowered to negotiate such terms and conditions  
 17 in the lease document as may be necessary to ensure:

18 (1) That the facility shall continue to be named the "John J. Hainkel, Jr.,  
 19 Home and Rehabilitation Center" and operate as a long-term care facility that  
 20 provides nursing home level services and adult day health care services.

21 (2) That the facility shall continue its mission to provide quality health care  
 22 services to indigent persons.

23 (3) That the facility shall continue as a medical and clinical training facility.

24 (4) That the facility shall be operated by the New Orleans Home for the  
 25 Incurables; however, the New Orleans Home for the Incurables shall have the option  
 26 to enter into a sublease or a cooperative endeavor agreement to operate the facility  
 27 consistent with the terms and conditions of the lease, which shall include but not be  
 28 limited to requiring the lessee to maintain the facility in the same manner in which  
 29 it was maintained prior to the execution of the lease and to seek to maintain the  
 30 facility as a five star quality rated facility, subject to approval by the Department of

1           Health and Hospitals and the Senate and House committees on health and welfare,  
2           meeting jointly or separately.

3           (5) That the Medicaid rate shall be set at the rate as of March 19, 2010, and  
4           shall be set at such rate for at least one year from the effective date of any lease and  
5           for any period after one year from the effective date of any lease the Medicaid rate  
6           shall be set at the rate which would be paid under the nursing home reimbursement  
7           methodology, subject to approval by the Centers for Medicare and Medicaid  
8           Services.

9           (6) That the state shall continue and complete all previously funded or  
10          obligated capital outlay repairs to the facility.

11          (7) That the New Orleans Home for the Incurables shall offer those  
12          employees who are employed by the John J. Hainkel, Jr., Home and Rehabilitation  
13          Center at the commencement of the lease first priority for employment.

14          (8) That the lease shall terminate if the facility ceases to operate as a long-  
15          term care facility.

16          (9) Any and all other terms and conditions consistent herein to effectuate this  
17          Section.

18          D. Nothing in this Section shall preclude the Department of Health and  
19          Hospitals from negotiating readiness assessment criteria with the New Orleans Home  
20          for the Incurables prior to the commencement of the lease.

21          Section 2. The Department of Health and Hospitals and the division of  
22          administration, notwithstanding any other provision of law to the contrary, are hereby  
23          authorized and empowered to lease certain buildings and improvements at Southeast  
24          Louisiana Hospital in St. Tammany Parish to Beacon Behavioral Health. This Section shall  
25          be limited to providing for the authorization of the Department of Health and Hospitals to  
26          negotiate a lease for use of an unused building on the property of Southeast Louisiana  
27          Hospital.

28          Section 3. The secretary of the Department of Health and Hospitals and the  
29          commissioner of administration, on behalf of the state of Louisiana, are hereby authorized  
30          to enter into such agreements, covenants, conditions, and stipulations and to execute such

1 documents as are necessary to properly effectuate any lease of those certain buildings and  
 2 improvements as more specifically described in any such agreements entered into and  
 3 documents executed by and between the secretary of the Department of Health and  
 4 Hospitals, the commissioner of administration, and Beacon Behavioral Health in exchange  
 5 of consideration proportionate to the value of the property leased.

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

---

SPEAKER OF THE HOUSE OF REPRESENTATIVES

---

PRESIDENT OF THE SENATE

---

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_