

Regular Session, 2010

ACT No. 933

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: _____