

Regular Session, 2010

SENATE BILL NO. 711

BY SENATORS CHEEK AND LAFLEUR

FUNDS/FUNDING. Provides for the Community Hospital Stabilization Fund. (gov sig)

1 AN ACT

2 To enact Chapter 64 of Title 46 of the Louisiana Revised Statutes of 1950, to be comprised
3 of R.S. 46:2901, relative to the Community Hospital Stabilization Fund; to create the
4 Community Hospital Stabilization Fund as a special fund in the state treasury; to
5 provide for deposit of certain monies into the fund; to provide for the uses of monies
6 in the fund; to provide for certain Medicaid and disproportionate share payments to
7 non-rural, non-state community hospitals; to provide for an effective date; and to
8 provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. Chapter 64 of Title 46 of the Louisiana Revised Statutes of 1950, to be
11 comprised of R.S. 46:2901, is hereby enacted to read as follows:

12 **CHAPTER 64. COMMUNITY HOSPITAL STABILIZATION FUND**

13 **§2901. Community Hospital Stabilization Fund**

14 **A. There is hereby established in the state treasury, as a special fund, the**
15 **Community Hospital Stabilization Fund, hereinafter referred to as the "fund".**

16 **B. The source of monies deposited into the fund shall be any monies**
17 **appropriated annually by the legislature or any other monies which may be**

1 **provided by law. All unexpended and unencumbered monies in the fund at the**
 2 **end of the fiscal year shall remain in the fund. The monies in the fund shall be**
 3 **invested by the state treasurer in the same manner as monies in the state**
 4 **general fund, and interest earned on the investment of such monies shall be**
 5 **credited to the fund. The state treasurer shall report the status of the fund at**
 6 **least quarterly to the secretary of the Department of Health and Hospitals.**

7 **C. The monies in the fund shall be appropriated annually and used solely**
 8 **for purposes as specified, as follows:**

9 **(1) Supplemental payments for inpatient and outpatient Medicaid**
 10 **hospital services, Medicaid outlier payments, and Medicaid Disproportionate**
 11 **Share Hospital (DSH) payments to non-state, non-rural community hospitals.**

12 **(2) Enhanced Medicaid payments to non-state, non-rural community**
 13 **hospitals.**

14 **(3) Enhanced DSH payments and uncompensated care payments to**
 15 **non-state, non-rural community hospitals.**

16 **(4) Payments for services of the state Medicaid program for non-state,**
 17 **non-rural community hospitals that are subject to federal financial**
 18 **participation in matching funds.**

19 Section 2. This Act shall become effective upon signature by the governor
 20 or, if not signed by the governor, upon expiration of the time for bills to become law
 21 without signature by the governor, as provided by Article III, Section 18 of the
 22 Constitution of Louisiana. If vetoed by the governor and subsequently approved by
 23 the legislature, this Act shall become effective on the day following such approval.

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

DIGEST

Cheek (SB 711)

Proposed law establishes the Community Hospital Stabilization Fund as a special fund in the state treasury and provides for the sources of monies to be deposited into the fund, including any monies appropriated annually by the legislature or any other monies provided by law.

Proposed law provides that monies in the fund may be appropriated annually and used solely

for purposes as follows:

1. Supplemental payments for inpatient and outpatient Medicaid hospital services, Medicaid outlier payments, and Medicaid disproportionate share payments to non-state, non-rural community hospitals.

2. Enhanced Medicaid payments to non-state, non-rural community hospitals.

3. Enhanced disproportionate share payments and uncompensated care payments to non-state, non-rural community hospitals.

4. Payments for services of the state Medicaid program for non-state, non-rural community hospitals that are subject to federal financial participation in matching funds.

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

(Adds R.S. 46:2901)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Finance to the original bill.

1. Limits deposits into the Community Hospital Stabilization Fund to monies appropriated annually by the legislature or any other monies provided by law.
2. Limits the uses of monies in the fund, as follows: supplemental payments; enhanced Medicaid payments; enhanced disproportionate share payments; and payments for certain Medicaid services.