

SENATE BILL NO. 711

BY SENATORS CHEEK AND LAFLEUR AND REPRESENTATIVES BALDONE, BURFORD, HENRY BURNS, CARMODY, CHANEY, CONNICK, DIXON, DOWNS, GISCLAIR, GUILLORY, GUINN, HINES, HOFFMANN, HOWARD, GIROD JACKSON, JOHNSON, KATZ, LABRUZZO, LIGI, LOPINTO, LORUSSO, MCVEA, MILLS, MONICA, PEARSON, POPE, RICHARD, RICHARDSON, SCHRODER, SIMON, SMILEY, ST. GERMAIN, TEMPLET, THIBAUT AND WILLMOTT

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 state funds; to create the Community Hospital
4 Stabilization Fund as a special fund in the state treasury; to provide for deposit of
5 certain monies into the fund; to provide for the uses of monies in the fund; to provide
6 for certain Medicaid and disproportionate share payments to nonrural, nonstate
7 community hospitals; to provide for the transfer, dedication, and use as specified of
8 certain treasury funds; to provide for an effective date; and to provide for related
9 matters.

10 Be it enacted by the Legislature of Louisiana:

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

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

14 **§2901. Community Hospital Stabilization Fund**

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

17 **B. The source of monies deposited into the fund shall be any monies**
18 **appropriated annually by the legislature or any other monies which may be**
19 **provided by law. In addition, the fund may receive state general fund monies**
20 **which become available in the event Congress acts to extend the American**
21 **Recovery and Reinvestment Act of 2009 enhancement to the federal medical**

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

7 C. Each year, the secretary of the Department of Health and Hospitals
8 shall transmit to the treasurer a report which details the amount of certified
9 public expenditures which have been generated in excess of the amount
10 appropriated for certified public expenditures in the General Appropriation Act
11 for Fiscal Year 2010-2011. Upon receipt of such report the treasurer is hereby
12 authorized and directed to deposit such amount stated in the report into the
13 Community Hospital Stabilization Fund.

14 D. The monies in the fund shall be appropriated annually and used solely
15 for purposes as specified, as follows:

16 (1) Supplemental payments for inpatient and outpatient Medicaid
17 hospital services, Medicaid outlier payments, and Medicaid Disproportionate
18 Share Hospital (DSH) payments to nonstate, nonrural community hospitals.

19 (2) Enhanced Medicaid payments to nonstate, nonrural community
20 hospitals.

21 (3) Enhanced DSH payments and uncompensated care payments to
22 nonstate, nonrural community hospitals.

23 (4) Payments for services of the state Medicaid program for nonstate,
24 nonrural community hospitals that are subject to federal financial participation
25 in matching funds.

26 (5) Reimbursement of monies as necessitated by any federal disallowance
27 relating to payments made for any purpose provided for in this Subsection.

28 Section 2. For Fiscal Year 2010-2011, in order to ensure that patient access to
29 hospital care remains unimpacted, the secretary of the Department of Health and Hospitals
30 shall optimize all funding for Medicaid ambulance transportation in the state.

1 Section 3. Notwithstanding any provision of law to the contrary, the state treasurer
2 is hereby authorized and directed to transfer Eighteen Million Dollars from the Artificial
3 Reef Development Fund to the Overcollections fund.

4 Section 4. The state treasurer is hereby authorized and directed to transfer Ten
5 Million Dollars from the State Emergency Response Fund to the Overcollections Fund.

6 Section 5. 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 by 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.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____