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Chapter No. 306
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HOUSE BILL NO. 273

Originated in House _____ Clerk

HOUSE BILL NO. 273

AN ACT TO AMEND SECTION 41-13-29, MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE BOARD OF TRUSTEES MEMBERS FOR A COMMUNITY HOSPITAL TO PARTICIPATE IN A HEALTH INSURANCE PLAN AT THE SAME COST AS REQUIRED OF HOSPITAL EMPLOYEES; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. Section 41-13-29, Mississippi Code of 1972, is amended as follows:

41-13-29. (1) (a) The owners are authorized to appoint trustees for the purpose of operating and governing community hospitals. The owner of a community hospital may remove a trustee after appointment for good cause shown, upon a unanimous vote of all members of the governing board of the owner that appointed the trustee, or upon a majority vote of the governing board of the owner that appointed the trustee after a recommendation from the board of trustees of the hospital that the trustee be removed. To be eligible for appointment, an appointee must be an adult legal resident of the county which has an ownership interest in the community hospital or the county in which the municipality or

other political subdivision holding the ownership interest in the community hospital is located. The authority to appoint trustees shall not apply to leased facilities, unless specifically reserved by the owner in the applicable lease agreement.

(b) The board of trustees shall consist of not more than seven (7) members nor less than five (5) members, except where specifically authorized by statute, and shall be appointed by the respective owners on a pro rata basis comparable to the ownership interests in the community hospital. Where the community hospital is owned solely by a county, or any supervisors districts, judicial districts or election district of a county, or by a municipality, the trustees shall be residents of the owning entity.

(c) Trustees for municipally owned community hospitals shall be appointed by the governing authority of the municipality. Trustees for a community hospital owned by a county shall be appointed by the board of supervisors with each supervisor having the right to nominate one (1) trustee from his district or from the county at large. Appointments exceeding five (5) in number shall be from the county at large. Trustees for a community hospital owned solely by supervisors districts, judicial districts or election district of a county, shall be appointed by the board of supervisors of the county from nominees submitted by the supervisor or supervisors representing the owner district or districts.

(2) (a) Initially the board of trustees shall be appointed as follows: one (1) for a term of one (1) year, one (1) for a term of two (2) years, one (1) for a term of three (3) years, one (1) for a term of four (4) years, and one (1) for a term of five (5) years. Appointments exceeding five (5) in number shall be for terms of four (4) and five (5) years, respectively. Thereafter, all terms shall be for five (5) years. No community hospital trustee holding office on July 1, 1982, shall be affected by this provision, but the terms shall be filled at the expiration thereof according to the provisions of this section; provided, however, that any other specific appointment procedures presently authorized shall likewise not be affected by the terms hereof. Any vacancy on the board of trustees shall be filled within ninety (90) days by appointment by the applicable owner for the remainder of the unexpired term.

(b) From and after January 1, 2016, to be eligible for appointment, an appointee must have no felony convictions, possess at least a high school diploma or the equivalent, owe no outstanding debt to the community hospital, and not be a plaintiff in any pending lawsuit against the community hospital. The appointee may not own an interest in, or be an officer or employee of, a company or business that provides goods or services in direct competition with the community hospital, nor may the appointee's spouse own an interest in, or be an officer of, such company or business.

(3) (a) Any community hospital erected, owned, maintained and operated by any county located in the geographical center of the State of Mississippi and in which State Highways No. 12 and No. 35 intersect, shall be operated by a board of trustees of five (5) members who have the qualifications set forth in this section to be appointed by the board of supervisors from the county at large, one (1) for a term of one (1) year, one (1) for a term of two (2) years, one (1) for a term of three (3) years, one (1) for a term of four (4) years, and one (1) for a term of five (5) years. Thereafter all trustees shall be appointed from the county at large for a period of five (5) years.

(b) Any community hospital erected, owned, maintained and operated by any county situated in the Yazoo-Mississippi Delta Levee District and bordering on the Mississippi River and having a population of not less than forty-five thousand (45,000) and having an assessed valuation of not less than Thirty Million Dollars ($30,000,000.00) for the year 1954, shall be operated by a board of trustees which may consist of not more than eleven (11) members who have the qualifications set forth in this section.

(c) Any hospital erected, owned, maintained and operated by any county having two (2) judicial districts, which is traversed by U.S. Interstate Highway 59, which intersects Highway 84 therein, shall be operated by a board of trustees which shall consist of seven (7) members who have the qualifications set forth in this section. The first seven (7) members appointed under

authority of this paragraph shall be appointed by the board of supervisors for terms as follows:

Each supervisor of Supervisors Districts One and Two shall nominate and the board of supervisors shall appoint one (1) person from each said beat for a one-year term. Each supervisor of Supervisors Districts Three and Four shall nominate and the board of supervisors shall appoint one (1) person from each beat for a two-year term. The supervisor of Supervisors District Five shall nominate and the board of supervisors shall appoint one (1) person from the beat for a three-year term. The medical staff at the hospital shall submit a list of four (4) nominees and the supervisors shall appoint two (2) trustees from the list of nominees, one (1) for a three-year term and one (1) for a one-year term. Thereafter, as the terms of the board of trustee members authorized by this paragraph expire, all but the trustee originally appointed from the medical staff nominees for a one-year term shall be appointed by the board of supervisors for terms of three (3) years. The term of the trustee originally appointed from the medical staff nominees by the board of supervisors for a term of one (1) year shall remain a term of one (1) year and shall thereafter be appointed for a term of one (1) year. The two (2) members appointed from medical staff nominees shall be appointed from a list of two (2) nominees for each position to be submitted by the medical staff of the hospital for each vacancy to be filled. It is the intent of the Legislature

that the board of trustees which existed prior to July 1, 1985, was abolished by amendment to this section under Section 5, Chapter 511, Laws of 1985, and the amendment authorized the appointment of a new board of trustees on or after July 1, 1985, in the manner provided in this paragraph. Any member of the board of trustees which existed before July 1, 1985, who has the qualifications set forth in this section shall be eligible for reappointment subject to the provisions of this paragraph.

(d) Any community hospital erected, owned, maintained and operated by any county bordering on the Mississippi River having two (2) judicial districts, wherein U.S. Highway 61 and Mississippi Highway 8 intersect, lying wholly within a levee district, shall be operated by a board of trustees which may consist of not more than nine (9) members who have the qualifications set forth in this section.

(e) Any community hospital system owned, maintained and operated by any county bordering on the Gulf of Mexico and the State of Alabama shall be operated by a board of trustees constituted as follows: seven (7) members shall be selected as provided in subsection (1) of this section and two (2) advisors who shall be the chiefs of staff at those hospitals which are a part of the hospital system; the members must have the qualifications set forth in this section. The term of the chiefs of staff on the board of trustees shall coincide with their service as chiefs of staff at their respective hospitals.

(4) Any community hospital owned, maintained and operated by any county wherein Mississippi Highways 16 and 19 intersect, having a land area of five hundred sixty-eight (568) square miles, and having a population in excess of twenty-three thousand seven hundred (23,700) according to the 1980 federal decennial census, shall be operated by a board of trustees of five (5) members who have the qualifications set forth in this section, one (1) of whom shall be elected by the qualified electors of each supervisors district of the county in the manner provided herein. Each member so elected shall be a resident and qualified elector of the district from which he is elected. The first elected members of the board of trustees shall be elected at the regular general election held on November 4, 1986. At the election, the members of the board from Supervisors Districts One and Two shall be elected for a term of six (6) years; members of the board from Supervisors Districts Three and Four shall be elected for a term of two (2) years; and the member of the board from Supervisors District Five shall be elected for a term of four (4) years. Each subsequent member of the board shall be elected for a term of six (6) years at the same time as the general election in which the member of the county board of education representing the same supervisors district is elected. All members of the board shall take office on the first Monday of January following the date of their election. The terms of all seven (7) appointed members of the board of trustees holding office on the effective date of this

act (Laws 1986, Chapter 462) shall expire on the date that the first elected members of the board take office. The board of trustees provided for herein shall not lease or sell the community hospital property under its jurisdiction unless the board of supervisors of the county calls for an election on the proposition and a majority voting in the election shall approve the lease or sale.

The members of the board of trustees provided for in this subsection shall be compensated a per diem and reimbursed for their expenses and mileage in the same amount and subject to the same restrictions provided for members of the county board of education in Section 37-5-21 and may, at the discretion of the board, choose to participate in any hospital medical benefit plan which may be in effect for hospital employees. Any member of the board of trustees choosing to participate in the plan shall pay the full cost of his participation in the plan so that no expenditure of hospital funds is required.

The name of any qualified elector who is a candidate for the community hospital board of trustees shall be placed on the ballot used in the general elections by the county election commissioners, if the candidate files with the county election commissioners, not more than ninety (90) days and not less than thirty (30) days before the date of the general election, a petition of nomination signed by not less than fifty (50) qualified electors of the county residing within each supervisors

district. The candidate in each supervisors district who receives the highest number of votes cast in the district shall be declared elected.

(5) A board of trustees provided for herein may, in its discretion, where funds are available, compensate each trustee per diem in * * * at least the amount established by Section 25-3-69 up to the maximum amount of not more than One Hundred Fifty Dollars ($150.00) for each meeting of the board of trustees or meeting of a committee established by the board of trustees where the trustee was in attendance, and in addition thereto provide meals at the meetings and compensate each member attending travel expenses at the rate authorized by Section 25-3-41 for actual mileage traveled to and from the place of meeting.

(6) The owner which appointed a trustee may likewise remove him from office by majority vote for failure to attend at least fifty percent (50%) of the regularly scheduled meetings of the board during the twelve-month period preceding the vote, or for violation of any statute relating to the responsibilities of his office, based upon the recommendation of a majority of the remaining trustees.

(7) For community hospitals located in a county having a population of less than one hundred thousand (100,000) according to the most recent federal decennial census, the members of the board of trustees, administrator and any other officials of the community hospital as may be deemed necessary or proper by the

board of trustees shall be under bond in an amount not less than Ten Thousand Dollars ($10,000.00) nor more than One Hundred Thousand Dollars ($100,000.00) with some surety company authorized to do business in the State of Mississippi to faithfully perform the duties of his office. For community hospitals located in a county having a population of one hundred thousand (100,000) or more according to the most recent federal decennial census, the bond shall be in an amount not less than Fifty Thousand Dollars ($50,000.00) nor more than Five Hundred Thousand Dollars ($500,000.00). Premiums for the bonds shall be paid from funds of the community hospital.

(8) The members of the board of trustees of a community hospital may, at the discretion of the board, choose to participate in any hospital medical benefit plan or health insurance plan, whether self-funded or otherwise, which may be in effect for hospital employees. Any member of the board of trustees choosing to participate in such plan shall pay the same amount for his or her participation in the plan as hospital employees are required to pay for their participation in such plan.

SECTION 2. This act shall take effect and be in force from and after July 1, 2019.

PASSED BY THE HOUSE OF REPRESENTATIVES
February 7, 2019

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PASSED BY THE SENATE
March 6, 2019

PRESIDENT OF THE SENATE

APPROVED BY THE GOVERNOR

GOVERNOR

March 14, 2019
4:38 pm