

HARPER FLOOR AMENDMENT

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1313

(Reference to Senate engrossed bill)

1 Page 1, between lines 1 and 2, insert:

2 "Section 1. Section 48-5541.01, Arizona Revised Statutes, is amended
3 to read:

4 48-5541.01. Additional powers and duties of certain special
5 health care districts

6 A. This section applies only to a special health care district in a
7 county with a population of two million or more persons.

8 B. Notwithstanding section 48-5502 and except as provided in section
9 48-5501.01, subsection B, the board of directors of a special health care
10 district shall be elected pursuant to title 16 and shall consist of five
11 members, one from each supervisorial district of the county in which the
12 district is located. A member of the board of directors shall comply with
13 all of the following:

14 1. A member shall be a qualified elector of the supervisorial district
15 from which the member is elected.

16 2. A member shall not be an elected or appointed state or county
17 official or a person who serves on a hospital board established pursuant to
18 section 36-183.01 and who is not a member of the board of supervisors of the
19 county in which the district is located.

20 3. A member shall not be an employee of the special health care
21 district or a director, officer or employee of another health care
22 institution.

23 C. For at least ten years after the date that the district first
24 operates a general hospital and within three miles of the location of a
25 general hospital operated by the county in which the district is located, the
26 district shall provide the following services commensurate with good business
27 practices:

28 1. Emergency and trauma services and shall operate a general hospital
29 and a burn center, all at a level of service no lower than that which existed
30 on January 1, 2003.

1 2. Maternity services at levels required of public hospitals pursuant
2 to title XIX of the social security act.

3 D. Following the expiration of the ten year period prescribed by
4 subsection C of this section, the district may provide any of the services or
5 operate any of the facilities permitted under this chapter.

6 E. This chapter does not establish a legal entitlement to services or
7 reimbursement for services for any person or third party or obligate the
8 district to provide programs or services that it cannot provide as the result
9 of actions of third parties. The provisions of this section shall be
10 included in any lease or management agreement for the general hospital of the
11 district, and any sale, lease or management agreement shall not affect the
12 status of the hospital as a public hospital or its licensure under section
13 36-422, subsection G.

14 F. Until ten years after the date that the district first operates a
15 general hospital, the following apply:

16 1. The district may not construct an additional general hospital
17 outside the three mile radius of a general hospital operated by the county.
18 After the expiration of the ten year period, the district may not construct a
19 general hospital outside a three mile radius of the general hospital operated
20 by the county without the approval of the qualified electors of the entire
21 county pursuant to an election called by the board of directors of the
22 district.

23 2. The district may not acquire or lease a general hospital that is
24 situated beyond the three mile radius of the general hospital operated by the
25 county without the approval of the qualified electors of the entire county
26 pursuant to an election called by the board of directors of the district.

27 3. Except for a psychiatric hospital or a behavioral health facility,
28 the district may not construct, acquire or lease a specialty hospital that is
29 located outside the three mile radius of a general hospital operated by the
30 county.

31 G. Notwithstanding section 48-5541, paragraph 5, for a period of ten
32 years after the date that the district first operates a general hospital, a

1 district may own, operate, lease, manage or maintain no more than three
2 outpatient surgical centers if all of the following apply:

3 1. One of the outpatient surgical centers is located at the campus of
4 a general hospital operated by the district.

5 2. Any other surgical centers are located at health care institutions
6 as defined in section 36-401 that were operated by the county in which the
7 district is located on January 1, 2003.

8 3. All surgical centers are operated in furtherance of the district's
9 mission as prescribed by subsection H of this section.

10 H. A district shall operate a general hospital for the term of any tax
11 authorized pursuant to section 48-5565, and the district's primary but not
12 sole mission is as provided in this subsection and met by providing directly
13 at its facilities or by contract medical education programs, emergency and
14 other services as required by this chapter, services to the medically
15 underserved and facilities and equipment necessary for these services. The
16 district's annual expenditures to satisfy the requirements of this subsection
17 shall be to the extent of the amount of taxes approved by the qualified
18 electors, authorized by the board of directors of the district and available
19 pursuant to sections 48-5563 and 48-5565.

20 I. The district and the county may not simultaneously operate a
21 general hospital, and a district may not operate an ambulance service
22 pursuant to section 48-5564.

23 J. If a district chooses to acquire or lease from a county an asset of
24 a health system as defined in section 11-1401, the board of supervisors of
25 that county, by a majority vote, may convey, sell, lease or otherwise
26 transfer title to any such asset of a health system to the district and
27 transfer any health system liability as defined in section 11-1401 to the
28 district.

29 K. A district may:

30 1. Raise capital, borrow and invest monies, create debt, assume debt
31 and refinance debt to carry out the purposes of this chapter.

1 2. Issue tax anticipation notes pursuant to title 35, chapter 3,
2 article 3.1.

3 3. Issue revenue anticipation notes pursuant to title 35, chapter 3,
4 article 3.3.

5 4. Issue revenue bonds in a manner consistent with chapter 12, article
6 5 of this title.

7 L. Notwithstanding section 48-5542, a district shall not lease any
8 general hospital that it operates to any entity other than a political
9 subdivision of this state until two years after the receipt of any special
10 payments.

11 M. Subject to the other provisions in this chapter, the district:

12 1. Shall adopt administrative rules, including an employee merit
13 system for its employees, and shall adopt and administer competitive
14 procurement rules necessary to administer and operate the district's programs
15 and any property. **THE DISTRICT SHALL ADOPT EITHER THE PROCUREMENT RULES**
16 **ADOPTED BY THE BOARD OF SUPERVISORS FOR THE COUNTY IN WHICH THE DISTRICT IS**
17 **LOCATED OR THE DISTRICT SHALL ADOPT ITS OWN COMPETITIVE PROCUREMENT RULES,**
18 **WHICHEVER RULES ARE MORE STRINGENT.**

19 2. May employ or contract with individuals or other entities,
20 including the county attorney, to provide services in furtherance of the
21 purposes of the district.

22 3. May establish or acquire foundations or charitable organizations to
23 solicit donations, financial contributions, real or personal property or
24 services for use solely to perform the duties and obligations in furtherance
25 of the district.

26 4. Shall disclose and make available records and other matters in the
27 same manner as is required of a public body pursuant to title 39, chapter 1,
28 except that the district is not required to disclose or make available any
29 records or other matters that:

30 (a) Identify the care or treatment of a patient who receives services,
31 including billing information, unless the patient or the patient's

1 representative consents to the disclosure in writing or unless otherwise
2 permitted pursuant to federal or state law.

3 (b) Reveal proprietary information provided to the district by a
4 nongovernmental source. For the purposes of this subdivision,
5 "nongovernmental" means an entity other than the United States government or
6 a public body as defined in section 39-121.01.

7 (c) Would cause demonstrable and material harm and would place the
8 district at a competitive disadvantage in the marketplace.

9 (d) Would violate any exception, privilege or confidentiality granted
10 or imposed by statute or common law.

11 N. A district is entitled to a lien for the charges for any services
12 provided by a hospital operated by the district, for medical care and
13 treatment of an injured person or for long-term care services, on any and all
14 claims of liability or indemnity for damages accruing to the person to whom
15 hospital or medical service is rendered, or to the legal representative of
16 that person, on account of injuries giving rise to such claims and that
17 necessitated the hospital or medical care and treatment. Recovery of charges
18 pursuant to this subsection shall be in a manner as nearly as possible the
19 same as the procedures prescribed in section 36-2915."

20 Renumber to conform

21 Amend title to conform

JACK HARPER

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