

SESSION OF 2003

SUPPLEMENTAL NOTE ON SENATE BILL NO. 151

As Amended by House Committee on
Health and Human Services

Brief*

SB 151, as amended, amends two acts that concern the organization and operation of public hospitals created either as county hospitals (KSA 19-4601, *et seq.*) or district hospitals (KSA 80-2501, *et seq.*) The amendments are intended to authorize county or district hospital boards of directors to enter into joint ventures with one or more public or private entities to provide health care services.

The definition of hospital in the county and district hospital statutes is amended by SB 151 to include within the definition, joint enterprises for the provision of health care services. A new definition of "joint enterprises" is added to each act and means a business undertaking by a hospital and one or more public or private entities for the provision of health care services. In both acts, the statute that sets out the manner in which "hospital moneys" are to be handled also is amended to add a sentence stating hospital moneys may be invested in joint enterprises for the provision of health care services as permitted by the amended definition of "hospital."

The House Committee amendment deletes the requirement that the hospital exercise majority control of any joint enterprise.

Background

SB 151 was introduced at the request of Newman Regional Health, which is the Lyon County hospital. A member of the hospital board of directors and the attorney for the hospital appeared in support of the bill, as did the hospital administrator. The conferees indicated there are no current plans for a joint venture, but the board wants the flexibility to

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org/klrd>

move into these areas as opportunities arise. The hospital attorney suggested the amendments to the statutes relating to the investment of hospital moneys. A representative of the Kansas Hospital Association also appeared on the bill.

The fiscal note on SB 151 indicates passage of the bill would have no fiscal effect.