

## LEGISLATIVE BILL 366

Approved by the Governor March 29, 1995

Introduced by Bromm, 23; Dierks, 40; Janssen, 15; Jones, 43

AN ACT relating to hospitals; to amend sections 23-905, 23-3504, 23-3507, and 71-2057, Reissue Revised Statutes of Nebraska, and section 23-3519, Revised Statutes Supplement, 1994; to change provisions relating to county hospital budget statements; to redefine terms; to harmonize provisions; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. Section 23-905, Reissue Revised Statutes of Nebraska, is amended to read:

23-905. The form of the county budget and the form of the budget document, as required by the County Budget Act of 1937, shall be formulated by the Auditor of Public Accounts and the Attorney General. The Auditor of Public Accounts shall draft the forms and act in an advisory capacity in the preparation of the budget and may authorize the use of computer equipment and processing in the preparation of the budget. He or she shall transmit copies of the forms to the county clerk of each county in the state on or before June 1 of each year. Any hospital established pursuant to section 23-3501 may file its budget on an accrual basis. The budget document form shall include such estimate blanks for the various offices and departments of the county and such other additional forms as the Auditor of Public Accounts or the Attorney General ~~shall deem~~ deems necessary in the computation and preparation of the county budget. The expense of printing and transmitting the required copies to the counties by the Auditor of Public Accounts shall be borne by the state and included in the proper appropriation.

Sec. 2. Section 23-3504, Reissue Revised Statutes of Nebraska, is amended to read:

23-3504. The board of trustees of such facility ~~or facilities~~ as provided by section 23-3501 shall make, adopt, and file with the county board such bylaws, rules, and regulations for its guidance and for the government of such facility ~~or facilities~~ as may be deemed expedient for the economical and equitable conduct ~~thereof. It of the facility.~~ The board of trustees shall have the exclusive control of the expenditures of all money collected to the credit of the fund for such facility, or facilities. After the original construction of such facility, the board of trustees or facilities, it shall have exclusive control over any and all improvements or additions thereto and equipment, including the authority to contract, subject to ratification by the county board, for any improvements or additions thereto and equipment, ~~therefor.~~ No such improvement, addition, thereto, or equipment ~~therefor~~ shall cost more than fifty percent of the current replacement cost of such existing facility ~~or facilities~~ and equipment unless the proposition is submitted to the voters of such county at a general election or a special election called for such purpose and approved by a vote of the majority of the electors voting on the proposition at such election. ~~Such~~ The board of trustees shall also have exclusive control, supervision, care, and custody of the grounds, rooms, and buildings purchased, constructed, leased, or set apart for such purposes. The board of trustees shall have power to pay all current bills, claims, and salaries of all employees of such facility ~~or facilities~~ by an order upon its treasurer, signed by the superintendent of such facility ~~or facilities~~ and countersigned by the chairperson and secretary of the board of trustees. Facsimile signatures of the superintendent and board members may be used to sign such orders. The board of trustees shall have power to lease such facility ~~or facilities~~ and equipment ~~therein~~ to a charitable nonprofit organization, ~~in which event the lessee shall be responsible for all costs of operation and management upon such terms and conditions as may be agreed,~~ but no such facility ~~or facilities~~ or equipment ~~therein~~ shall be leased unless authorized by the voters of such county at a general election or a special election called for such purpose and approved by a majority vote of the electors voting on such proposition at any such election. The board of trustees shall also have the following powers: (1) To expend hospital operating funds for the reimbursement of the reasonable expenses of persons interviewed or retained for employment or medical staff appointment; and (2) all powers and authority granted to the boards of nonprofit corporations under ~~Chapter 21, article 19 the Nebraska Nonprofit Corporation Act,~~ except to the extent that those powers are inconsistent with ~~Chapter 23, article 35, the Hospital Authorities Act, the Nebraska Local Hospital District Act, and~~

sections 23-3501 to 23-3527 or are specifically prohibited by law.

Sec. 3. Section 23-3507, Reissue Revised Statutes of Nebraska, is amended to read:

23-3507. The board of trustees of such facility or facilities as provided by section 23-3501, shall hold meetings at least once each month. It shall keep a complete record of all of its proceedings. One of said trustees shall visit and examine such facility or facilities at least twice each month. The said board of trustees shall, during the first week in June on or before July 15 of each year, (1) file with the county board a report of its proceedings with reference to such facility or facilities and a statement of all receipts and expenditures during the year, and (2) certify the amount necessary to maintain and improve such facility or facilities and certify the tax request and tax expenditure, if any, for the ensuing year.

Sec. 4. Section 23-3519, Revised Statutes Supplement, 1994, is amended to read:

23-3519. The board of trustees of any such facility or facilities organized under section 23-3515 shall, each year, fix the amount of money for the proposed budget statement as may be deemed sufficient and necessary for the operation of such facility during the following calendar year. After the adoption of the budget statement and during the first week of June on or before July 15 of each year, the board of trustees of such facility shall certify to the county board of the county in which such facility is located the amount of the tax to be levied which the facility requires under the facility's adopted budget statement to be received from taxation. Such county board shall apportion such amount among the counties concerned in proportion to the taxable valuation of all taxable property and shall certify to each county its share of such amount.

Each county shall levy a tax sufficient to raise the amount so certified to it, and the county treasurer shall transmit the proceeds of such tax to the treasurer of the county in which such facility is located for credit to the facility fund. The tax authorized by this section shall not be included within the levy limitations for general county purposes prescribed in section 23-119 or Article VIII, section 5, of the Constitution of Nebraska.

Sec. 5. Section 71-2057, Reissue Revised Statutes of Nebraska, is amended to read:

71-2057. As used in For purposes of sections 71-2056 to 71-2061, unless the context otherwise requires:

(1) Hospital health services shall mean, but not be means, but is not limited to, any health care clinical, diagnostic, or rehabilitation service and any administrative, managerial, health system, or operational service incident to such service;

(2) Market strategy shall mean means any plan, strategy, or device developed or intended to promote, sell, or offer to sell any hospital health service;

(3) Strategic plan shall mean means any plan, strategy, or device developed or intended to construct, operate, or maintain a health facility or to engage in providing, promoting, or selling a hospital health service; and

(4) Tangible benefit shall mean, but not be means, but is not limited to, any (a) reasonable expectation of a demonstrable increase in or maintenance of usage of the provider's services, (b) contractual provision requiring quality control of patient care and participation in a resource monitoring procedure, or (c) reasonable expectation of prompt payment for any service rendered.

Sec. 6. Original sections 23-905, 23-3504, 23-3507, and 71-2057, Reissue Revised Statutes of Nebraska, and section 23-3519, Revised Statutes Supplement, 1994, are repealed.