

By: Representatives Moody, Masterson, Clarke

To: Public Health and Welfare

HOUSE BILL NO. 1220

1 AN ACT TO CREATE A PROGRAM OF PAID EDUCATIONAL LEAVE FOR  
2 HOSPITAL EMPLOYEES; TO AMEND SECTION 41-13-35, MISSISSIPPI CODE OF  
3 1972, IN CONFORMITY THERETO; AND FOR RELATED PURPOSES.

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

5 **SECTION 1.** (1) (a) A hospital may grant paid educational  
6 leave to those applicants it deems qualified therefor, upon such  
7 terms and conditions as it may impose and as provided for in this  
8 section.

9 (b) In order to be eligible for paid educational leave,  
10 an applicant must:

11 (i) Be working at the sponsoring hospital at the  
12 time of application;

13 (ii) Attend any college or school approved and  
14 designated by the sponsoring hospital; and

15 (iii) Agree to work in a health care occupation as  
16 a licensed practical nurse, registered nurse, nurse practitioner,  
17 speech pathologist, occupational therapist, physical therapist or  
18 other health care professional in the sponsoring hospital for a  
19 period of time equivalent to the period of time for which the  
20 applicant receives paid educational leave compensation, calculated  
21 to the nearest whole month, but in no event less than two (2)  
22 years.

23 (c) (1) Before being granted paid educational leave,  
24 each applicant shall enter into a contract with the sponsoring  
25 hospital agreeing to the terms and conditions upon which the paid  
26 educational leave shall be granted. The contract shall include  
27 such terms and provisions necessary to carry out the full purpose



28 and intent of this section. The contract shall be signed by the  
29 administrator of the sponsoring hospital and the recipient of paid  
30 educational leave compensation. If the recipient is a minor, his  
31 minority disabilities shall be removed by a chancery court of  
32 competent jurisdiction before the contract is signed.

33 (ii) The sponsoring hospital shall have the  
34 authority to cancel any contract made between it and any recipient  
35 for paid educational leave upon such cause being deemed sufficient  
36 by the administrator of such hospital.

37 (iii) The sponsoring hospital is vested with full  
38 and complete authority and power to sue in its own name any  
39 recipient for any balance due such hospital on any such  
40 uncompleted contract. The sponsoring hospital may contract with a  
41 collection agency or banking institution for collection of any  
42 balance due such hospital from any recipient. The sponsoring  
43 hospital and its employees and, if applicable its board of  
44 trustees, are immune from any suit brought in law or equity for  
45 actions taken by the collection agency or banking institution  
46 incidental to or arising from their performance under the  
47 contract. The sponsoring hospital, collection agency and banking  
48 institution may negotiate for the payment of a sum that is less  
49 than full payment in order to satisfy any balance the recipient  
50 owes.

51 (iv) Failure to meet the terms of an educational  
52 loan contract shall be grounds for revocation of the professional  
53 license which was earned through the paid educational leave  
54 compensation granted under this section.

55 (v) A finding by the sponsoring hospital of a  
56 default by the recipient shall be a finding of unprofessional  
57 conduct and, therefore, a basis for the revocation of the  
58 professional license which was obtained through the educational  
59 leave program.



60 (vi) Notice of pending default status, the  
61 consequences of a default and the hearing to determine the pending  
62 default status shall be mailed by the sponsoring hospital to the  
63 recipient at the last known address.

64 (vii) The sponsoring hospital shall conduct a  
65 hearing of pending default status, make a final determination,  
66 and, if appropriate, issue a finding of default.

67 (viii) Recipients may appear at the hearing of  
68 pending default status, either personally or through counsel, or  
69 both, and produce and cross-examine witnesses or evidence in the  
70 recipient's behalf. The procedure of the hearing shall not be  
71 bound by the Mississippi Rules of Civil Procedure and Evidence.

72 (ix) If at such hearing a recipient is found to be  
73 in default, a copy of the finding of default shall be forwarded to  
74 the appropriate licensing agency.

75 (x) Appeals from a finding of default made by the  
76 sponsoring hospital shall be to the circuit court of the county in  
77 which such hospital is located. Actions taken by the appropriate  
78 licensing agency in revoking a license when required by this  
79 section are not actions from which an appeal may be taken under  
80 the general licensing and disciplinary provisions applicable to  
81 the licensing agency.

82 (xi) Rules and regulations governing the hearing  
83 of pending default status and other applicable matters shall be  
84 promulgated by the sponsoring hospital.

85 (xii) A license which has been revoked pursuant to  
86 this section shall be reinstated upon a showing of proof that the  
87 recipient is no longer in default.

88 (2) (a) Any recipient who is granted paid educational leave  
89 by a hospital shall be compensated by such sponsoring hospital  
90 during the time the recipient is in school, at the rate of pay  
91 received by a nurse's aide employed at such hospital. All  
92 educational leave compensation received by the recipient while in



93 school shall be considered earned conditioned upon the fulfillment  
94 of the terms and obligations of the educational leave contract and  
95 this section. However, no recipient of full-time educational  
96 leave shall accrue personal or major medical leave while the  
97 recipient is on paid educational leave. Recipients of paid  
98 educational leave shall be responsible for their individual costs  
99 of tuition and books.

100 (b) Paid educational leave shall be granted only upon  
101 the following conditions:

102 (i) The recipient shall fulfill his or her  
103 obligation under the contract with the sponsoring hospital by  
104 working as a licensed practical nurse, registered nurse, nurse  
105 practitioner, speech pathologist, occupational therapist, physical  
106 therapist or other health care professional. The total  
107 compensation that the recipient was paid while on educational  
108 leave shall be considered as unconditionally earned on an annual  
109 pro rata basis for each year of service rendered under the  
110 educational leave contract as a health care professional in the  
111 sponsoring hospital.

112 (ii) If the recipient does not work as a licensed  
113 practical nurse, registered nurse, nurse practitioner, speech  
114 pathologist, occupational therapist, physical therapist or other  
115 health care professional in the sponsoring hospital for the period  
116 required under this section, the recipient shall be liable for  
117 repayment on demand of the remaining portion of the compensation  
118 that the recipient was paid while on paid educational leave which  
119 has not been unconditionally earned, with interest accruing at ten  
120 percent (10%) per annum from the recipient's date of graduation or  
121 the date that the recipient last worked at the sponsoring  
122 hospital, whichever is the later date. In addition, there shall  
123 be included in any contract for paid educational leave a provision  
124 for liquidated damages equal to Five Thousand Dollars (\$5,000.00)



125 which may be reduced on a pro rata basis for each year served  
126 under such contract.

127 (iii) If any recipient fails or withdraws from  
128 school at any time before successfully completing his or her  
129 health care training, the recipient shall be liable for repayment  
130 on demand of the amount of the total compensation that the  
131 recipient was paid while on paid educational leave, with interest  
132 accruing at ten percent (10%) per annum from the date the  
133 recipient failed or withdrew from school. However, the recipient  
134 shall not be liable for liquidated damages, and if the recipient  
135 returns to work at the sponsoring hospital in the same position  
136 held at such hospital prior to accepting educational leave, or a  
137 position approved by such hospital, the recipient shall not be  
138 liable for payment of any interest on the amount owed.

139 (iv) The issuance and renewal of the professional  
140 license required to work as a licensed practical nurse, registered  
141 nurse, nurse practitioner, speech pathologist, occupational  
142 therapist, physical therapist or other health care professional  
143 for which the educational leave was granted shall be contingent  
144 upon the repayment of the total compensation that the recipient  
145 received while on paid educational leave. Failure to meet the  
146 terms of an educational loan contract shall be grounds for  
147 revocation of the professional license which was earned through  
148 the paid educational leave compensation granted under this  
149 section. Any individual who receives any amount of paid  
150 educational leave compensation while in school and subsequently  
151 receives a professional license shall be deemed to have earned the  
152 professional license through paid educational leave.

153 **SECTION 2.** Section 41-13-35, Mississippi Code of 1972, is  
154 amended as follows:

155 41-13-35. (1) The board of trustees of any community  
156 hospital shall have full authority to appoint an administrator,  
157 who shall not be a member of the board of trustees, and to



158 delegate reasonable authority to such administrator for the  
159 operation and maintenance of such hospital and all property and  
160 facilities otherwise appertaining thereto.

161 (2) The board of trustees shall have full authority to  
162 select from its members, officers and committees and, by  
163 resolution or through the board bylaws, to delegate to such  
164 officers and committees reasonable authority to carry out and  
165 enforce the powers and duties of the board of trustees during the  
166 interim periods between regular meetings of the board of trustees;  
167 provided, however, that any such action taken by an officer or  
168 committee shall be subject to review by the board, and actions may  
169 be withdrawn or nullified at the next subsequent meeting of the  
170 board of trustees if the action is in excess of delegated  
171 authority.

172 (3) The board of trustees shall be responsible for governing  
173 the community hospital under its control and shall make and  
174 enforce staff and hospital bylaws and/or rules and regulations  
175 necessary for the administration, government, maintenance and/or  
176 expansion of such hospitals. The board of trustees shall keep  
177 minutes of its official business and shall comply with Section  
178 41-9-68.

179 (4) The decisions of said board of trustees of the community  
180 hospital shall be valid and binding unless expressly prohibited by  
181 applicable statutory or constitutional provisions.

182 (5) The power of the board of trustees shall specifically  
183 include, but not be limited to, the following authority:

184 (a) To deposit and invest funds of the community  
185 hospital in accordance with Section 27-105-365;

186 (b) To establish such equitable wage and salary  
187 programs and other employment benefits as may be deemed expedient  
188 or proper, and in so doing, to expend reasonable funds for such  
189 employee salary and benefits. Allowable employee programs shall  
190 specifically include but not be limited to, medical benefit, life,



191 accidental death and dismemberment, disability, retirement and  
192 other employee coverage plans. The hospital may offer and fund  
193 such programs directly or by contract with any third party and  
194 shall be authorized to take all actions necessary to implement,  
195 administer and operate such plans, including payroll deductions  
196 for such plans;

197 (c) To authorize employees to attend and to pay actual  
198 expenses incurred by employees while engaged in hospital business  
199 or in attending recognized educational or professional meetings;

200 (d) To enter into loan or scholarship agreements with  
201 employees or students to provide educational assistance where such  
202 student or employee agrees to work for a stipulated period of time  
203 for the hospital;

204 (e) To devise and implement employee incentive  
205 programs;

206 (f) To recruit and financially assist physicians and  
207 other health care practitioners in establishing, or relocating  
208 practices within the service area of the community hospital  
209 including, without limitation, direct and indirect financial  
210 assistance, loan agreements, agreements guaranteeing minimum  
211 incomes for a stipulated period from opening of the practice and  
212 providing free office space or reduced rental rates for office  
213 space where such recruitment would directly benefit the community  
214 hospital and/or the health and welfare of the citizens of the  
215 service area;

216 (g) To contract by way of lease, lease-purchase or  
217 otherwise, with any agency, department or other office of  
218 government or any individual, partnership, corporation, owner,  
219 other board of trustees, or other health care facility, for the  
220 providing of property, equipment or services by or to the  
221 community hospital or other entity or regarding any facet of the  
222 construction, management, funding or operation of the community  
223 hospital or any division or department thereof, or any related



224 activity, including, without limitation, shared management  
225 expertise or employee insurance and retirement programs, and to  
226 terminate said contracts when deemed in the best interests of the  
227 community hospital;

228 (h) To file suit on behalf of the community hospital to  
229 enforce any right or claims accruing to the hospital and to defend  
230 and/or settle claims against the community hospital and/or its  
231 board of trustees;

232 (i) To sell or otherwise dispose of any chattel  
233 property of the community hospital by any method deemed  
234 appropriate by the board where such disposition is consistent with  
235 the hospital purposes or where such property is deemed by the  
236 board to be surplus or otherwise unneeded;

237 (j) To let contracts for the construction, remodeling,  
238 expansion or acquisition, by lease or purchase, of hospital or  
239 health care facilities, including real property, within the  
240 service area for community hospital purposes where such may be  
241 done with operational funds without encumbrancing the general  
242 funds of the county or municipality, provided that any contract  
243 for the purchase of real property must be ratified by the owner;

244 (k) To borrow money and enter other financing  
245 arrangements for community hospital and related purposes and to  
246 grant security interests in hospital equipment and to pledge a  
247 percentage of hospital revenues as security for such financings  
248 where needed; provided that the owner shall specify by resolution  
249 the maximum borrowing authority and maximum percent of revenue  
250 which may be pledged by the board of trustees during any given  
251 fiscal year;

252 (l) To expend hospital funds for public relations or  
253 advertising programs;

254 (m) To offer the following inpatient and outpatient  
255 services, after complying with applicable health planning,  
256 licensure statutes and regulations, whether or not heretofore





257 offered by such hospital or other similar hospitals in this state  
258 and whether or not heretofore authorized to be offered, long-term  
259 care, extended care, home care, after-hours clinic services,  
260 ambulatory surgical clinic services, preventative health care  
261 services including wellness services, health education,  
262 rehabilitation and diagnostic and treatment services; to promote,  
263 develop, operate and maintain a center providing care or  
264 residential facilities for the aged, convalescent or handicapped;  
265 and to promote, develop and institute any other services having an  
266 appropriate place in the operation of a hospital offering complete  
267 community health care;

268           (n) To promote, develop, acquire, operate and maintain  
269 on a nonprofit basis, or on a profit basis if the community  
270 hospital's share of profits is used solely for community hospital  
271 and related purposes in accordance with this chapter, either  
272 separately or jointly with one or more other hospitals or  
273 health-related organizations, facilities and equipment for  
274 providing goods, services and programs for hospitals, other health  
275 care providers, and other persons or entities in need of such  
276 goods, services and programs and, in doing so, to provide for  
277 contracts of employment or contracts for services and ownership of  
278 property on terms that will protect the public interest;

279           (o) To establish and operate medical offices, child  
280 care centers, wellness or fitness centers and other facilities and  
281 programs which the board determines are appropriate in the  
282 operation of a community hospital for the benefit of its  
283 employees, personnel and/or medical staff which shall be operated  
284 as an integral part of the hospital and which may, in the  
285 direction of the board of trustees, be offered to the general  
286 public. If such programs are not established in existing  
287 facilities or constructed on real estate previously acquired by  
288 the owners, the board of trustees shall also have authority to  
289 acquire, by lease or purchase, such facilities and real property



290 within the service area, whether or not adjacent to existing  
291 facilities, provided that any contract for the purchase of real  
292 property shall be ratified by the owner. The trustees shall lease  
293 any such medical offices to members of the medical staff at rates  
294 deemed appropriate and may, in its discretion, establish rates to  
295 be paid for the use of other facilities or programs by its  
296 employees or personnel or members of the public whom the trustees  
297 may determine may properly use such other facilities or programs;

298 (p) Provide, at its discretion, ambulance service  
299 and/or to contract with any third party, public or private, for  
300 the providing of such service;

301 (q) Establish a fair and equitable system for the  
302 billing of patients for care or users of services received through  
303 the community hospital, which in the exercise of the board of  
304 trustees' prudent fiscal discretion, may allow for rates to be  
305 classified according to the potential usage by an identified group  
306 or groups of patients of the community hospital's services and may  
307 allow for standard discounts where the discount is designed to  
308 reduce the operating costs or increase the revenues of the  
309 community hospital. Such billing system may also allow for the  
310 payment of charges by means of a credit card or similar device and  
311 allow for payment of administrative fees as may be regularly  
312 imposed by a banking institution or other credit service  
313 organization for the use of such cards;

314 (r) To establish as an organizational part of the  
315 hospital or to aid in establishing as a separate entity from the  
316 hospital, hospital auxiliaries designed to aid the hospital, its  
317 patients, and/or families and visitors of patients, and when the  
318 auxiliary is established as a separate entity from the hospital,  
319 the board of trustees may cooperate with the auxiliary in its  
320 operations as the board of trustees deems appropriate; and

321 (s) To make any agreements or contracts with the  
322 federal government or any agency thereof, the State of Mississippi



323 or any agency thereof, and any county, city, town, supervisors  
324 district or election district within this state, jointly or  
325 separately, for the maintenance of charity facilities.

326 (t) To develop a paid educational leave program for the  
327 study of certain health care occupations, including a licensed  
328 practical nurse, registered nurse, nurse practitioner, speech  
329 pathologist, occupational therapist, physical therapist and other  
330 health care occupations by an employee who works at the community  
331 hospital and who declares an intention to work in such respective  
332 health care occupation in the same hospital in which the employee  
333 was working when granted educational leave, for a minimum period  
334 of time after graduation in accordance with Section 1 of House  
335 Bill No. 1220, 2003 Regular Session.

336 (6) No board of trustees of any community hospital may  
337 accept any grant of money or other thing of value from any  
338 not-for-profit or for-profit organization established for the  
339 purpose of supporting health care in the area served by the  
340 facility unless two-thirds (2/3) of the trustees vote to accept  
341 the grant.

342 (7) No board of trustees, individual trustee or any other  
343 person who is an agent or servant of the trustees of any community  
344 hospital shall have any personal financial interest in any  
345 not-for-profit or for-profit organization which, regardless of its  
346 stated purpose of incorporation, provides assistance in the form  
347 of grants of money or property to community hospitals or provides  
348 services to community hospitals in the form of performance of  
349 functions normally associated with the operations of a hospital.

350 **SECTION 3.** Section 1 of this act shall be codified in  
351 Chapter 9 of Title 41, Mississippi Code of 1972.

352 **SECTION 4.** This act shall take effect and be in force from  
353 and after July 1, 2003.

