

By: Senator(s) Wiggins

To: Accountability,
Efficiency, Transparency

SENATE BILL NO. 2614
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 41-13-29, MISSISSIPPI CODE OF 1972,
2 TO PRESCRIBE CONFLICTS OF INTEREST FOR MEMBERS OF BOARDS OF
3 TRUSTEES FOR COMMUNITY HOSPITALS AND TO PRESCRIBE THE MEMBERSHIP
4 OF THE BOARD FOR A CERTAIN COMMUNITY HOSPITAL SYSTEM; AND FOR
5 RELATED PURPOSES.

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

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

9 41-13-29. (1) (a) The owners are authorized to appoint
10 trustees for the purpose of operating and governing community
11 hospitals. The owner of a community hospital may remove a trustee
12 after appointment for good cause shown, upon a unanimous vote of
13 all members of the governing board of the owner that appointed the
14 trustee, or upon a majority vote of the governing board of the
15 owner that appointed the trustee after a recommendation from the
16 board of trustees of the hospital that the trustee be removed. To
17 be eligible for appointment, an appointee must be an adult legal
18 resident of the county which has an ownership interest in the
19 community hospital or the county in which the municipality or



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

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

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



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

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



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

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

89 (c) Any hospital erected, owned, maintained and
90 operated by any county having two (2) judicial districts, which is
91 traversed by U.S. Interstate Highway 59, which intersects Highway
92 84 therein, shall be operated by a board of trustees which shall
93 consist of seven (7) members who have the qualifications set forth
94 in this section. The first seven (7) members appointed under



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

97 Each supervisor of Supervisors Districts One and Two shall
98 nominate and the board of supervisors shall appoint one (1) person
99 from each said beat for a one-year term. Each supervisor of
100 Supervisors Districts Three and Four shall nominate and the board
101 of supervisors shall appoint one (1) person from each beat for a
102 two-year term. The supervisor of Supervisors District Five shall
103 nominate and the board of supervisors shall appoint one (1) person
104 from the beat for a three-year term. The medical staff at the
105 hospital shall submit a list of four (4) nominees and the
106 supervisors shall appoint two (2) trustees from the list of
107 nominees, one (1) for a three-year term and one (1) for a one-year
108 term. Thereafter, as the terms of the board of trustee members
109 authorized by this paragraph expire, all but the trustee
110 originally appointed from the medical staff nominees for a
111 one-year term shall be appointed by the board of supervisors for
112 terms of three (3) years. The term of the trustee originally
113 appointed from the medical staff nominees by the board of
114 supervisors for a term of one (1) year shall remain a term of one
115 (1) year and shall thereafter be appointed for a term of one (1)
116 year. The two (2) members appointed from medical staff nominees
117 shall be appointed from a list of two (2) nominees for each
118 position to be submitted by the medical staff of the hospital for
119 each vacancy to be filled. It is the intent of the Legislature



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

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

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



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



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

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

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



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

198 (5) A board of trustees provided for herein may, in its
199 discretion, where funds are available, compensate each trustee per
200 diem in the amount of at least the amount established by Section
201 25-3-69 up to the maximum amount of not more than One Hundred
202 Fifty Dollars (\$150.00) for each meeting of the board of trustees
203 or meeting of a committee established by the board of trustees
204 where the trustee was in attendance, and in addition thereto
205 provide meals at the meetings and compensate each member attending
206 travel expenses at the rate authorized by Section 25-3-41 for
207 actual mileage traveled to and from the place of meeting.

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

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



220 board of trustees shall be under bond in an amount not less than
221 Ten Thousand Dollars (\$10,000.00) nor more than One Hundred
222 Thousand Dollars (\$100,000.00) with some surety company authorized
223 to do business in the State of Mississippi to faithfully perform
224 the duties of his office. For community hospitals located in a
225 county having a population of one hundred thousand (100,000) or
226 more according to the most recent federal decennial census, the
227 bond shall be in an amount not less than Fifty Thousand Dollars
228 (\$50,000.00) nor more than Five Hundred Thousand Dollars
229 (\$500,000.00). Premiums for the bonds shall be paid from funds of
230 the community hospital.

231 **SECTION 2.** This act shall take effect and be in force from
232 and after July 1, 2018.

