

By: Representatives Burnett, Arnold, Paden

To: Local and Private  
Legislation

HOUSE BILL NO. 1459

1 AN ACT TO AUTHORIZE THE BOARD OF SUPERVISORS OF COAHOMA  
2 COUNTY, MISSISSIPPI, TO EXECUTE THE EXTENSION OF THE LEASE WITH  
3 CLARKSDALE HMA, INC., AND HEALTH MANAGEMENT ASSOCIATES FOR  
4 HEALTHCARE-RELATED FACILITIES ON COUNTY-OWNED REAL PROPERTY; AND  
5 FOR RELATED PURPOSES.

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

7 **SECTION 1.** (1) The Board of Supervisors of Coahoma County,  
8 Mississippi, is hereby authorized and empowered, in its  
9 discretion, to extend, renew or otherwise provide for an  
10 additional period of up to ten (10) years of the current lease, as  
11 amended and previously extended, originally entered into between  
12 Coahoma County, Mississippi, acting through the Board of  
13 Supervisors of Coahoma County, and Clarksdale HMA, Inc., and  
14 Health Management Associates, Inc., dated the 28th day of December  
15 1995, and extended by agreement dated December 15, 1998, for all  
16 or any part of the real property and/or improvements thereon  
17 covered by the lease, as amended, according to such terms and  
18 conditions as set by the board of supervisors.



19           (2) In the event the board of supervisors determines to  
20 extend the lease, prior to setting the length and rental rate for  
21 the extended term, the board shall contract with a certified  
22 public accounting firm, a law firm or competent professional  
23 healthcare or management consultants to review the then current  
24 operating condition of the hospital in order to determine a rental  
25 rate for the extended term that is consistent with the fair market  
26 value. The review shall at minimum consist of the following:

27           (a) A review of the community's inpatient facility  
28 needs based on current workload, historical trends and  
29 projections, based on demographic data, of future needs;

30           (b) A review of the competitive market for services,  
31 including other hospitals which serve the same area, the services  
32 provided and the market perception of the competitive hospitals;

33           (c) A review of the hospital's strengths relative to  
34 the competition and its capacity to compete in light of projected  
35 trends and competition; and

36           (d) An analysis of how much revenue should be derived  
37 from the lease.

38           (3) Upon completion of the analysis, the annual rental rate  
39 for the extended term shall be within the range of revenue amount  
40 determined by the analysis for the extended term, with the length  
41 of the extended term as determined by the board of supervisors to  
42 be in the best interest of the county. In the event that the  
43 lessee shall determine to accept that amount as rental for the



44 extended term, the lessee shall have the right to accept in  
45 writing, the extended term for an additional period of up to ten  
46 (10) years after the termination of the then existing lease.  
47 Written acceptance of the extended term shall be delivered by hand  
48 or first-class mail to the County Administrator and the Chancery  
49 Clerk of Coahoma County within a reasonable time period prior to  
50 the expiration of the original extended term to be determined by  
51 the board of supervisors, or the original extended term shall  
52 expire according to its terms. Upon acceptance of the extended  
53 term and lease amount, the parties may also make such amendments  
54 to the lease as are agreed upon by the parties and in the best  
55 interest of the county.

56       **SECTION 2.** This act shall take effect and be in force from  
57 and after its passage.

