



General Assembly

January Session, 2007

Raised Bill No. 7363

LCO No. 5154

05154_____JUD

Referred to Committee on Judiciary

Introduced by:
(JUD)

AN ACT CONCERNING PUBLIC OVERSIGHT OF HOSPITALS AND HOSPITAL SOCIETIES OR CORPORATIONS RECEIVING SUBSTANTIAL MEDICAID FUNDING.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2007*) (a) Except as provided in
2 subsection (b) of this section, each hospital and hospital society or
3 corporation in this state that receives in excess of fifty million dollars
4 annually in total Medicaid funding shall, annually, on or before
5 January second, submit a report to the joint standing committees of the
6 General Assembly having cognizance of matters relating to public
7 health and human services. Such report shall detail: (1) The standard
8 charge for each type of hospital service provided by such hospital or
9 hospital society or corporation and any contractual discounts to
10 insurers or other third party payors for such hospital services; (2) the
11 actual costs of providing such hospital services, taking into account
12 any rebates or other contractual refunds from providers of goods or
13 services to such hospital or hospital society or corporation; and (3) all
14 expenditures made by such hospital or hospital society or corporation
15 that are not for the provision of such hospital services, including, but
16 not limited to, executive salaries, fringe benefits and other perquisites

17 of employment, collection costs, costs of litigation, costs of labor
18 relations, including legal expenses and advocacy for or against union
19 representation, and costs of lobbying and government relations.

20 (b) In lieu of submitting an annual report to the joint standing
21 committees of the General Assembly specified in subsection (a) of this
22 section, each hospital and hospital society or corporation in this state
23 that receives in excess of fifty million dollars annually in total
24 Medicaid funding may submit a detailed report containing the items
25 required by subdivisions (1), (2) and (3) of said subsection to any
26 member of its board of directors, upon the request of such member, if
27 such hospital or hospital society or corporation includes as members of
28 its board of directors: (1) Two residents of this state, both of whom
29 shall be appointed by the Governor; (2) one resident of this state who
30 shall be appointed by the chief elected official of the municipality in
31 which such hospital or hospital society or corporation is located; (3)
32 one resident of this state who shall be appointed jointly by the speaker
33 of the House of Representatives and the president pro tempore of the
34 Senate; and (4) one resident of this state who shall be appointed jointly
35 by the minority leader of the House of Representatives and the
36 minority leader of the Senate. Each member who is appointed under
37 this subsection shall have the same voting rights as all other members
38 of such board of directors with respect to any action or decision of such
39 board of directors regarding the expenditure by such hospital or
40 hospital society or corporation of any Medicaid funding or funds
41 received from the state.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2007</i>	New section

Statement of Purpose:

To provide greater disclosure and public participation in decisions regarding the use of public funds by hospitals and hospital societies or

corporations that receive more than fifty million dollars annually in total Medicaid funding.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]