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DEPARTMENT OF JUSTICE
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62-B LEGISLATURE – Acts & Bills

La. R.S. 17:1518, *et seq.*

Act No. 220 of the 2007 Legislative Session specifically addresses the closure of the Huey P. Long Medical Center ("Huey P. Long") as well as the reduction of its funding and personnel in a fiscal emergency or budget deficit. The Act does not specifically prohibit another entity from directly managing the Center nor does it explicitly prevent the privatization of Huey P. Long.

Honorable Herbert B. Dixon
State Representative-District 26
804 Broadway Avenue
Alexandria, Louisiana 71302

Dear Representative Dixon:

Our office has received your opinion request regarding Act No. 220 of the 2007 Legislative Session ("Act") and the Huey P. Long Medical Center ("Huey P. Long"). The Act specifically put Huey P. Long under the management of Louisiana State University Health Science Center at Shreveport ("LSU HSC Shreveport"). Specifically you have asked the following questions:

- (1) Under the Act, can funding or personnel for Huey P. Long be reduced because of budget deficits or fiscal emergencies?
- (2) Under the Act, can Huey P. Long be closed, privatized or managed by a different provider other than LSU HSC Shreveport without specific action of the legislature?
- (3) Under the Act, can Huey P. Long employees' personnel benefits be reduced because of budget deficits or fiscal emergencies?

Your questions, as noted above, specifically ask our office to interpret Act No. 220 of the 2007 Legislative Session. There may be other statutes and authority that could impact a more general response to your request, but those are not the subject of your inquiry.

We reiterate that the purpose of the Act was to move Huey P. Long from LSU HSC New Orleans to LSU HSC Shreveport. The Act made Huey P. Long an organizational unit under LSU HSC Shreveport. La. R.S. 17:1518(E)(1). LSU HSC Shreveport includes Huey P. Long, E.A. Conway Medical Center at Monroe, LSU Shreveport Medical School and LSU Hospital at Shreveport. La. R.S. 17:3215(7).

Under the Act, can funding or personnel for Huey P. Long be reduced because of budget deficits or fiscal emergencies?

The funding for Huey P. Long and its personnel cannot be reduced based on budget deficits or fiscal emergencies to offset or compensate for deficits or emergencies in the other center according to La. R.S. 17:1518.1(E)(2). It specifically states:

In the event of a budget deficit or fiscal emergency, neither funds nor personnel shall be reduced from either the Huey P. Long Medical Center or the health science center to offset or compensate for such deficit or emergency in the other center.

La. R.S. 17:1518.1(E)(2).¹ Other center refers to the entities within LSU HSC Shreveport.

However, this Act does not protect Huey P. Long from State general budget reductions except as it affects La. R.S. 17:1518.1(F), which provides:

The health science center shall not authorize the Huey P. Long Medical Center to reduce health care services provided by the facility in any manner that causes annual expenditures for the facility to be reduced on an annualized basis by greater than thirty-five percent of the previous year actual spending level.

Under the Act, can Huey P. Long be closed, privatized or managed by a different provider other than LSU HSC Shreveport without specific action of the legislature?

La. R.S. 17:1518.1(F) specifically prevents the closure of Huey P. Long or its emergency room without legislative approval. It states in pertinent part: "Neither the Huey P. Long Medical Center nor the emergency room shall be closed without legislative approval." La. R.S. 17:1518.1(F).

Although the Act addresses certain funding issues and prohibits the complete closure of Huey P. Long without legislative approval, it does not specifically address in under what conditions Huey P. Long may be privatized. Therefore, whether privatization is allowed without the specific action of the Legislature would depend on the precise terms and conditions of the proposed privatization.²

¹ It is important to note that within LSU HSC Shreveport's appropriation schedule (budget), Huey P. Long is required to have a separate line item. La. R.S. 17:1518.1(E)(1). Thus, the State funds LSU HSC Shreveport, and from that, LSU HSC Shreveport will appropriate its funds to those within it like Huey P. Long. The prohibition on the reduction of funds is specific to Huey P. Long's budgetary appropriation from LSU HSC Shreveport.

² The LSU Board of Supervisors, who oversees LSU HSC Shreveport, has the authority to "rent or lease its property, of whatever nature and kind and enter into any kind or nature of contracts, for the best advantage of the institution." La. R.S. 17:1517(E).

The overall responsibility for the management of Huey P. Long is specifically articulated in La. R.S. 17:1518.1(B). It provides, in pertinent part:

Management of the Huey P. Long Medical Center shall be the responsibility of the Louisiana State University Health Sciences Center at Shreveport, office of the chancellor, which shall have authority to exercise all power to direct, control, supervise, and manage the medical center.

Whether the management of Huey P. Long can be contracted out without legislative approval depends on the specific terms of the proposed management contract. While LSU HSC Shreveport has the general responsibility for Huey P. Long, that does not prevent the LSU Board of Supervisors from entering into most contracts or leases in accordance with La. R.S. 17:1517(E). However, the overall responsibility and accountability is left to LSU HSC Shreveport.

Under the Act, can Huey P. Long employees' personnel benefits be reduced because of budget deficits or fiscal emergencies?

The Act does not specifically address the effect of a budget deficit or fiscal emergency on the personnel benefits of Huey P. Long's employees. The Act provides that all Huey P. Long employees shall "maintain their rights, privileges, and benefits in accordance with all laws, rules, and regulations applicable to civil service employees and employees of the health science center." La. R.S. 17:1518.1(C). Therefore, any reduction in employees' personnel benefits must be performed in accordance with all civil service rules and regulations.

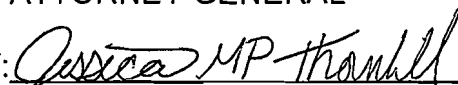
In conclusion, the Act specifically prevents the reduction of funds and personnel for Huey P. Long to offset or compensate for deficits or emergencies in the other center (i.e. within LSU HSC Shreveport). The Act also prohibits the closure of Huey P. Long or its emergency room without legislative approval. However, the Act does not prohibit the privatization or lease of Huey P. Long. Nor does the Act address the reduction of personnel benefits due to a budget deficit or fiscal emergency.

We hope that this opinion has adequately addressed the legal issues you have raised. If our office can be of any further assistance, please do not hesitate to contact us.

With best regards,

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BY:



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