

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7027

BILL NUMBER: HB 1524

DATE PREPARED: Dec 30, 1998

BILL AMENDED:

SUBJECT: Health facility receivership.

FISCAL ANALYST: Ron Sobecki

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FUNDS AFFECTED: **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill provides that a health facility may be placed in receivership whenever the court, in its discretion, believes such action necessary to secure justice. The bill specifies the qualifications, powers, and duties of a health facility receiver. It provides that a health facility may not continue in operation more than 240 days after the appointment of a receiver without approval of the State Department of Health. The bill provides that a receiver placed in a health facility be paid by the facility if the receiver is not a state employee, and by the state if the receiver is a state employee. It establishes a formula for determining the compensation of a receiver placed in a health facility. The bill gives the Director of the State Department of Health the authority to revoke a health facility's license for failure to relinquish authority to the receiver or failure to pay the receiver's salary. It provides immunity from civil liability for a receiver or a receiver's agent, except for a breach of duty or failure to perform that constitutes willful misconduct or recklessness.

Effective Date: July 1, 1999.

Explanation of State Expenditures: There could be some minimal cost to the State Department of Health (SDOH) in complying with the requirements of this bill. Any costs to the SDOH can be absorbed in the existing budget.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State Department of Health.

Local Agencies Affected:

Information Sources: Norma Selby, State Department of Health, 233-7573.