

[Proposed changes in state law to create a 13 member Board of Directors for the Santa Barbara/San Luis Obispo Regional Health Authority.](#)

CALIFORNIA CODES
HEALTH AND **SAFETY CODE**
SECTION **101675**-101730

101675.

This chapter shall be known and may be cited as the Santa Barbara *San Luis Obispo* Regional Health Authority Act.

101680.

The Board of Supervisors of the County of Santa Barbara did by resolution, order the formation of the Santa Barbara Regional Health Authority under this chapter which included all of the incorporated and unincorporated areas of Santa Barbara County.

101685.

Unless the context otherwise requires, this article governs the construction of this chapter. As used in this chapter:

(a) "Authority" means the Santa Barbara *San Luis Obispo* Regional Health Authority.

(b) "Board" means the Santa Barbara *San Luis Obispo* Regional Health Authority Board of Directors.

~~(c) "County" means the County of Santa Barbara.~~

~~(d) (c) "Health care system" means any system established to arrange for the provision of medical services.~~

~~(e) (d) "Public agency" means the United States, the State of California, any political subdivision, county, municipality, district, or agency of the State of California or of the United States and any department, bureau or commission of the State of California or of the United States.~~

~~(f) (e) "Person" means any individual, firm, partnership, association, corporation, limited liability company, trust, business trust, or the receiver or trustee or conservator for any of the above, but does not include a public agency.~~

~~(g) (f) "Professional advisory boards" means the boards appointed by the board of directors of the authority pursuant to its rules which shall consist of a~~

representative cross-section of professional providers of health care services within the county service area.

(h) ~~(g)~~ "Community advisory boards" means advisory boards to the authority's board appointed by the board of directors of the authority which shall consist of persons who represent community and consumer interests and who do not directly earn their income from the provision of medical health services.

(i) ~~(h)~~ "Service area" means [Santa Barbara County](#), and those counties that are contiguous with [Santa Barbara county](#).

101690.

~~The governing body of the authority shall be vested in a board of directors that~~

~~shall consist of 11 members appointed by the county's board of supervisors as~~

~~follows: **The governing body of the authority shall be vested in a board of**~~

~~**directors that shall consist of 13 members: 8 appointed by the board of**~~

~~**supervisors of Santa Barbara County and 5 appointed by the board of**~~

~~**supervisors of San Luis Obispo County.**~~

~~**The board of supervisors of Santa Barbara County shall appoint members**~~

~~**to the board of directors as follows:**~~

(a) Three members shall be elected or appointed officers or employees of [Santa Barbara County](#), at least one of whom shall be a member of the board of supervisors.

(b) ~~Three~~ **Two** members shall be [Santa Barbara county residents](#), of which one shall be a recipient of Medi-Cal, provided for under Sections 14000 and following, of the Welfare and Institutions Code, ~~one~~ or a recipient of Medicare, provided for under Title XVIII of the federal Social Security Act, and the other shall be a representative of a community business that does not provide health care.

(c) ~~Five~~ **Three** members shall be representatives of providers of health care services in [Santa Barbara County](#) including: (1) ~~two~~ **one** physicians, ~~one~~ of whom shall be appointed from a list established by the County Medical Society and the other from a list established by the hospitals within the county. ~~One of the appointed physicians shall be a resident of and in practice in the fourth or fifth supervisorial district of the county;~~ (2) ~~two~~ **one** hospital administrators, ~~one~~ from hospitals located in either the first, second or third supervisorial districts of the county and the other from either the fourth or fifth supervisorial districts; and (3) one nonhospital or nonphysician health care provider.

The board of supervisors of [San Luis Obispo County](#) shall appoint members to the board of directors as follows:

(d) Two members shall be elected or appointed officers or employees of [San Luis Obispo County](#), at least one of whom shall be a member of the board of supervisors.

(e) One member shall be a [San Luis Obispo County](#) resident and shall be either a recipient of Medi-Cal, provided for under Sections 14000 and following, of the Welfare and Institutions Code, or a recipient of Medicare, provided for under Title XVIII of the federal Social Security Act

(f) Two members shall be representatives of providers of healthcare services in [San Luis Obispo County](#) including: one physician, who shall be appointed from a list established by the County Medical Society, and one hospital administrator, who shall be appointed from a list established by the local hospital council.

(g) [Each Hospital administrator or physician](#) appointee to the board of directors must be unaffiliated from the hospital or physician organization, group, network or corporate entity of the other hospital or physician board appointee.

101695.

The board, at its first meeting, and annually thereafter at the first meeting in January, shall elect a chair who shall preside at all meetings, and a vice chair who shall preside in his or her absence. In the event of their absence or inability to act, the members present, by an order entered in the minutes, shall select one of their members to act as chair pro tempore, who, while so acting, shall have all of the authority of the chair.

101700.

The board shall establish rules for its proceedings. There shall be at least four meetings per year. Board members shall be entitled to one hundred dollars (\$100) remuneration from authority funds, for each board meeting attended and the authority may pay remuneration to board members attending meetings of committees of the board except that remuneration for attending board meetings and board committee meetings shall not exceed the sum of two hundred dollars (\$200) per month, plus actual expenses incurred in attending meetings at rates payable to county officers and employees. The per diem rate of one hundred dollars (\$100) may be increased by the board ~~subject to approval by the board of supervisors.~~

101705.

A majority of the members of the board shall constitute a quorum for the transaction of business, and all official acts of the board shall require the affirmative vote of a majority of the members of the board.

101710.

The acts of the board shall be expressed by motion, resolution or ordinance.

101715.

Except for initial staggered terms that may be established by the board, the term of office of each non-county member shall be two years and, in addition, time as necessary until the appointment and qualification of his or her successor. County officers or employees shall serve at the pleasure of the board of supervisors **that appointed them.**

101720.

Any vacancy on the board shall be filled for the unexpired term by the county's board of supervisors **with appointing authority over that director's position.**

101725.

Professional advisory and community advisory boards shall review and comment on proposed policies and actions of the board dealing with the arrangements for health care within the jurisdiction of the authority.

101730.

The board may allow as a charge against the authority, reimbursement to members of professional and community advisory boards, of actually incurred expenses in attending meetings in amounts allowed by the board of supervisors to county officers and employees.

101750.

The authority is hereby declared to be a body corporate and politic and it shall have power:

- (a) To have perpetual succession.
- (b) To sue and be sued in the name of the authority in all actions and proceedings in all courts and tribunals of competent jurisdiction.
- (c) To adopt a seal and alter it at pleasure.
- (d) To take by grant, purchase, gift, devise, or lease, to hold, use and enjoy, and to lease, convey or dispose of, real and personal property of every kind, within or without the boundaries of the authority, necessary or convenient to the full exercise of its powers. The board may lease, mortgage, sell, or otherwise dispose of any real or personal property within or without the boundaries of the authority necessary to the full or convenient exercise of its powers.
- (e) To make and enter into contracts with any public agency or person for the purposes of this chapter, including, but not limited to, agreements under Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code. Members of the board shall be disqualified from voting on contracts in which they have a financial interest. Notwithstanding any other provision of law,

members shall not be disqualified from continuing to serve as a member of the board and a contract may not be avoided solely because of a member's financial interest.

(f) To appoint and employ an executive director and other employees as may be necessary, including legal counsel, fix their compensation and define their powers and duties. The board shall prescribe the amounts and forms of fidelity bond of its officers and employees. The cost of these bonds shall be borne by the authority. The authority may also contract for the services of an independent contractor.

(g) To incur indebtedness not exceeding revenue in any year.

(h) To purchase supplies, equipment, materials, property, or services.

(i) To establish policies relating to its purposes.

(j) To acquire or contract to acquire, rights-of-way, easements, privileges, or property of every kind within or without the boundaries of the authority, and construct, equip, maintain, and operate any and all works or improvements within or without the boundaries of the authority necessary, convenient, or proper to carry out any of the provisions, objects or purposes of this chapter, and to complete, extend, add to, repair, or otherwise improve any works or improvements acquired by it.

(k) To make contracts and enter into stipulations of any nature upon the terms and conditions that the board finds are for the best interest of the authority for the full exercise of the powers granted in this chapter.

(l) To accept gifts, contributions, grants or loans from any public agency or person for the purposes of this chapter. The authority may do any and all things necessary in order to avail itself of the gifts, contributions, grants or loans, and cooperate under any federal or state legislation in effect on March 25, 1982, or enacted after that date.

(m) To manage its moneys and to provide depository and auditing services pursuant to either of the methods applicable to special districts as set forth in the Government Code.

(n) To negotiate with service providers rates, charges, fees and rents, and to establish classifications of health care systems operated by the authority. Members of the board who are county officers and employees of **a service provider** may vote to approve arrangements and agreements between the authority and the county or a service provider and these directors shall not thus be disqualified solely for the reason of such employment.

(o) To develop and implement health care delivery systems to promote quality care and cost efficiency and to provide appeal and grievance procedures available to both providers and consumers.

(p) To provide health care delivery systems for any or all of the following:

(1) For all persons who are eligible to receive medical benefits under the Medical Act, as set forth in Sections 14000 et seq., of the Welfare and Institutions Code in the service area through waiver, pilot project, or otherwise.

(2) For all persons in the service area who are eligible to receive medical benefits under both Titles XVIII and XIX of the federal Social Security Act.

(3) For all persons in the service area who are eligible to receive medical benefits under Title XVIII of the federal Social Security Act.

(4) For all persons in the service area who are eligible to receive medical benefits under publicly supported programs if the authority, and participating providers acting pursuant to subcontracts with the authority, agree to hold harmless the beneficiaries of the publicly supported programs if the contract between the sponsoring government agency and the authority does not ensure sufficient funding to cover program benefits.

(q) To insure against any accident or destruction of its health care system or any part thereof. It may insure against loss of revenues from any cause. The authority may also provide insurance as provided in Part 6 (commencing with Section 989) of Division 3.6 of Title 1 of the Government Code.

(r) To exercise powers that are expressly granted and powers that are reasonably implied from express powers and necessary to carry out the purposes of this chapter.

(s) To do any and all things necessary to carry out the purposes of this chapter.

(t) With respect to services provided outside the [service area](#), the authority may only provide those services to the extent that the services are authorized by resolution of the board of supervisors of the county in which the services are to be provided.

101750.5.

Notwithstanding subdivision (f) of Section 14499.5 of the Welfare and Institutions Code, for the purposes of Division 3.6 (commencing with Section 810) of Title 1 of the Government Code, the authority shall be considered a public entity separate from the county or counties and shall file the statement required by Section 53051 of the Government Code.

101755.

Notwithstanding any other provision of law, the state or any state agency may enter into contracts with the authority for the authority to obtain or arrange for health care under the authority's health care systems, for all persons who are eligible to receive medical benefits under the Medi-Cal Act, as set forth in Section 14000 et seq., of the Welfare and Institutions Code, and to enter into contracts for the provision of health care services to subscribers in the Healthy Families Program, in its service area through waiver, pilot project, or otherwise.

101760.

~~Notwithstanding any other provision of this chapter, the board of supervisors of the county may review major administrative decisions of the authority, excluding those involving personnel matters, upon appeal by the affected person and upon a majority vote of the board of supervisors. The board of supervisors may either approve, modify, reflect or repeal these decisions. The action of the board of supervisors shall be deemed to constitute a final administrative remedy. The board of supervisors and the authority shall mutually develop and agree on rules and regulations setting forth review procedures and guidelines to determine which decisions of the authority are major so as to confer appellate jurisdiction upon the board of supervisors. The board of supervisors shall adopt the mutually agreed upon rules and regulations by resolution or ordinance. This section shall not be operative until adopted by resolution by the board of supervisors.~~

101765.

Any licensed provider eligible to receive Medi-Cal reimbursement under law and who enters into a written contract with the authority under terms and conditions approved by the department shall be able to participate in this program as a provider. A written agreement shall not be required if any of the following circumstances apply:

(a) The provider renders any medically necessary emergency health care on a nonroutine basis.

(b) The provider renders services that are duly authorized by the authority, if the services are either seldom used or are rendered outside of the service area.

101770.

All claims for money or damages against the authority are governed by Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6 of Title 1 of the Government Code, except as provided in those parts, or by other statutes or regulations expressly applicable to those parts.

101775.

In the formation of the authority pursuant to this chapter, Section 54773 et seq., of the Government Code is not applicable.

101780.

The board of supervisors of the County of Santa Barbara may, by ordinance or resolution, order the dissolution of the authority by declaring that there is no need for the authority to function. The dissolution shall become effective 180 days after the date of adoption of the resolution or ordinance ordering the dissolution. As of the effective date of the dissolution of the authority, the authority shall be dissolved, disincorporated and extinguished; its existence shall be terminated and all of its corporate powers shall cease, except for winding up the affairs of the authority.

For the purpose of winding up the affairs of the dissolved authority, the County of Santa Barbara shall be the successor. Upon the effective date of dissolution, control over all of the moneys or funds, including on hand and moneys due, but uncollected, and all property, real or personal, of the authority shall be vested in the County of Santa Barbara for the purpose of winding up the affairs of the authority.

The powers of the county in winding up the affairs of the authority and the distribution of assets of the authority, shall be in accordance with Article 4 (commencing with Section 56500) of Chapter 9 of Part 4 of Division 1 of Title 6 of the Government Code. The liability of the county County of Santa Barbara as successor shall be limited to the assets of the authority.

101781.

The board of supervisors of either the County of San Luis Obispo or the County of Santa Barbara or the authority may, by ordinance or resolution, terminate the authority's operation of health care systems in the County of San Luis Obispo. The termination shall become effective 180 days after the adoption of the ordinance or resolution. If the termination is by either one of the two boards of supervisors, the terminating County's liability to the authority shall be limited to the cost of terminating authority's operations in the County of San Luis Obispo including but not limited to the costs of terminating contracts and other obligations for space, services, employment, health care services, required notices to beneficiaries and subscribers, and moving expenses.