

HB 2903 -- HOSPITALS

SPONSOR: Mayhew

This bill prohibits the following individuals from being elected or appointed to the board of trustees for a county or district hospital:

- (1) A current employee of the hospital or affiliates; or
- (2) A former employee of the hospital or affiliates within the past three years.

The bill also specifies that members of the board of trustees can be subject to removal from office in the same manner as persons elected to any county, city, town, or township office.

This bill changes the required schedule of meetings from at least one each month to once quarterly, and provides that the board must submit to the county commission an annual financial report in a manner consistent with the submission of other financial reports that may be required by the State Auditor relating to political subdivisions.

The bill prohibits the following persons from being elected or appointed to the office of director of a hospital district:

- (1) A current employee of the hospital or affiliates; or
- (2) A former employee of the hospital or affiliates within the past three years.

The bill also specifies that members of the hospital board of directors can be subject to removal from office in the same manner as persons elected to any county, city, town, or township office.

The bill specifies that certain hospitals are subject to the same requirements applicable to public bodies and records as provided by existing statute.

However, the records of a hospital and its subsidiaries must not be subject to these requirements if the board of directors determines that the disclosure of such information would be harmful to the fiscal position of the hospital, or confer any other health care providers an unequal advantage over the hospital, and these records contain:

- (1) Proprietary information gathered by, or in possession of, the hospital from third parties under confidentiality;
- (2) Contract cost estimates prepared for confidential use in awarding certain contracts;
- (3) Data, records, or information of a proprietary nature produced or collected by or for the hospital, its employees, its officers, or members of its board of trustees;
- (4) Third-party financial statements, records, and related data that is not publicly available;
- (5) Consulting or other reports paid for by the hospital to assist with strategic planning and goals;
- (6) The determination of marketing and operational strategies, where the disclosure of such information would be harmful to the fiscal position or confer any other health care providers unequal advantage over the hospital; or
- (7) Financial information gathered by, or in the possession of, the hospital where the disclosure of such information would be harmful to the fiscal position of the hospital or confer any other health care providers unequal advantage over the hospital.

The bill allows the hospital, including the board of trustees and certain committees, to discuss, consider, and take action on certain plans, use of property, or marketing or operational strategies in a closed session if the board of trustees determines that the disclosure of such information would be harmful to the fiscal position or confer any other health care providers unequal advantage over the hospital.

This bill is similar to HCS HB 1104 (2025).