

**SENATE BILL REPORT**

**SB 5589**

**AS OF FEBRUARY 11, 1993**

**Brief Description:** Prohibiting physicians who are working for a hospital district from becoming commissioners of the district.

**SPONSORS:** Senator Haugen

**SENATE COMMITTEE ON GOVERNMENT OPERATIONS**

**Staff:** Rod McAulay (786-7754)

**Hearing Dates:** February 16, 1993

**BACKGROUND:**

Public hospital districts may be established to own and operate hospitals and to provide hospital services and other health care services for the residents of the district. The hospital district is governed by a board of three, five or seven elected commissioners. The State Auditor has noted that the election to hospital district boards of physicians who are employees or have staff privileges at hospitals owned or operated by the district creates the appearance of, if not an actual, conflict of interest.

**SUMMARY:**

A physician who is an employee or holds staff privileges at a hospital owned or under the control of a public hospital district is not eligible to hold office as a commissioner of that district. No provision is made for incumbent commissioners who are disqualified by this act to complete their current terms of office.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** none requested