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Chapter VIII - Health

Dear Reader:

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We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with county government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other CTAS website material.

Sincerely,

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Chapter VIII - Health

Hospitals

Private Acts of 1947 Chapter 846

SECTION 1. That the County of Bradley, in the State of Tennessee, by and through its Quarterly Court, upon the approval of a majority of the qualified voters of said County, as of the last general election, be and the same is hereby authorized to issue not to exceed Four Hundred Thousand (\$400,000.00) Dollars coupon bonds, maturing not later than thirty (30) years from date, bearing interest at the rate of not to exceed three and one-half (3½%) per cent per annum, payable semi-annually, for the purpose of acquiring a necessary site or location for a hospital, and for equipping said hospital to be built in or near Cleveland, in Bradley County, Tennessee, provided, that the County Election Commissioners shall have held an election in the County, properly advertised as hereinafter provided, to ascertain the will of the people as to the issuing and selling of said bonds, and that a majority of the votes cast favor the issuance and sale of said bonds.

SECTION 2. That said bonds shall be denominated "Bradley County Hospital Bonds", and these shall be in the denomination of not more than One Thousand (\$1,000.00) Dollars each and be signed by the County Clerk of said County, and countersigned by the Chairman of the County Court for said County, and have the County Seal affixed thereto, and be numbered in the order of the issuance.

Said bonds, when issued in conformity with this Act, shall be direct general obligations of Bradley County, for the payment of which, with interest, well and truly to be made the full faith and credit and all the taxing power of the County shall be irrevocably pledged; and said bonds shall recite in their face, in addition to other recitals, that all things necessary to happen, to exist and to be performed have happened, do exist and have been performed agreeable to this Act and to the Constitution and general laws of the State. Said bonds, when issued, shall not be subject to taxation by the State of Tennessee or by any County or Municipality thereof.

SECTION 3. That said bonds shall be sold by the County Judge of the Bradley County Court, in conjunction with the Chairman of the Board of Directors of the said hospital, for the best price obtainable, at public sale, after advertising in a reputable financial journal.

SECTION 4. That the Board of Directors of said hospital shall have the right to determine the location at which the hospital building shall be built and the kind and character thereof, and it shall be the duty of the said Hospital Board of Directors to notify the County Court its decision in the matter of such location, which shall be final as to the location of said hospital, together with the approximate cost of the erection of said building, and it shall then be the duty of the County Court to order the sale and issuance of bonds for such purpose not to exceed Four Hundred Thousand (\$400,000.00) Dollars as herein provided.

SECTION 5. That the proceeds of the sale of said funds be paid over direct to the County Trustee, and he shall keep said funds separate from all other funds.

SECTION 6. That the proceeds of the sale of said bonds shall be used in the purchase of the necessary site, erection, construction, and equipment of such hospital building, so determined and located by the Board of Directors of said hospital and to improve the grounds thereon.

SECTION 7. That the said Board of Directors shall have full charge of the expenditures of said funds, arising from the sale of the bonds as herein provided, and said Directors shall secure plans and specifications and advertise for sealed bids, and shall give contract for the erection of said building to the lowest responsible bidder; said Board of Directors shall have the right to reject any and all bids and re-advertise.

SECTION 8. That it shall be the duty of the Quarterly County Court of Bradley County annually to levy and provide for the collection of a sufficient tax on all the taxable property in the County, over and above all other taxes authorized and limited by law, for the purpose of creating a sinking fund to pay the interest on said bonds as the same falls due and to retire said bonds as they mature.

SECTION 9. That all money shall be paid by the Trustee of said County, on warrants signed by the Chairman and Secretary of the Board of Hospital Directors of said hospital, and countersigned by the County Judge of Bradley County.

SECTION 10. That it shall be the duty of the County Election Commissioners of Bradley County, Tennessee, to call and hold an election at a date fixed by them after a petition has been signed by them requesting said election by at least fifty (50) qualified voters of Bradley County, Tennessee, and in the

event the bond issue fails to carry, a new election can be had after 12 months has elapsed, provided, a similar petition has been presented said Election Commissioners asking them to call another election under this Act. Said election to be called after giving due notice thereof at least 20 days before said election by publication in a newspaper, published in Bradley County, Tennessee, to allow the qualified voters of said County to vote on the question of the issuance and sale of said bonds and they shall certify the result of said election to the next succeeding, regular, or special called session of the County Court of Bradley County, Tennessee, and as a majority of the voters voting in said election shall vote in the favor and issuance of sale of said bonds, the Judge of Bradley County, in conjunction with the Chairman of the Board of Hospital Directors, and the Clerk of the County Court of Bradley County, will be authorized to proceed to issue and sell said bonds, as herein provided.

SECTION 11. That the said County Election Commissioners shall designate the kind of ballot to be used in said election, and there shall be prescribed thereon, the following: "For the sale of Hospital Bonds" and "Against the sale of said Hospital Bonds", and those desiring to vote for sale of said bonds shall mark a cross mark (X) opposite the words "For the sale of Hospital Bonds" and those desiring to vote against the sale of said bonds shall mark a cross mark (X) opposite the words "Against the sale of said bonds".

SECTION 12. That the Board of Directors for the Bradley County Memorial Hospital shall consist of seven (7) persons.

The terms of the two (2) incumbent members of the Board of Directors appointed by the Quarterly County Court in 1973 shall expire on the first Monday of October, 1979. The terms of the two (2) incumbent members of the Board appointed by the City Commissioners of the City of Cleveland shall expire on the first Monday of October, 1981. The term of the incumbent member of the Board appointed by the Bradley County Medical Society shall expire on the first Monday of October, 1977. The successors of the incumbent members shall be elected for a four (4) year term. The member of the Board who has heretofore been appointed by the Bradley County Medical Society shall hereafter be appointed by the medical staff of Bradley County Memorial Hospital and shall be a member in good standing of that medical staff.

The Quarterly County Court of Bradley County at its September session, 1976, shall elect two (2) additional members of said Board. One such member shall serve for an initial period of two (2) years or until his successor is elected and qualified and one such member shall serve for an initial period of four (4) years or until his successor is elected and qualified. If within thirty (30) days of August 1, 1976, any municipality in Bradley County agrees to contract with the county for a period not less than the term of office for such new member of the Board of Directors to assume the obligation of providing during the first year not less than twenty-five percent (25%) of any public subsidy required from the local governments for the operation of the hospital, excluding any capital outlay costs, then such municipality shall be entitled to appoint one (1) of the additional members. Such contract shall provide for an increase of five percent (5%) of such obligation for such municipality for each year of such term but the amount shall not exceed forty percent (40%). The Quarterly County Court of Bradley County shall appoint the other new member. If at any time such contract is terminated by the municipality, there shall be created a vacancy in such membership to be filled by the Quarterly County Court for the remainder of the unexpired term. After their initial terms, the Directors shall be elected to serve for four (4) year terms or until their successors are elected and qualified with the terms being from the first Monday of October as the respective terms expire.

Any vacancy in the membership of the Board of Directors shall be filled by the election of a person to complete the unexpired term of the vacated member.

These elections shall all be certified to the County Court Clerk of Bradley County. When such certification is received by the Clerk, he will notify the person elected to appear at the office of the Clerk to take an oath before him. The oath shall be to the effect that he shall support the Constitutions of the United States and the State of Tennessee and fairly, impartially and faith-fully discharge his duties as a member of the Board of Directors, which oath shall be subscribed and filed in the office of the County Court Clerk.

As amended by:

Private Acts of 1976, Chapter 291

Private Acts of 1989, Chapter 46

Private Acts of 1993, Chapter 22

SECTION 13. That the said Board of Directors shall receive no compensation for their services but may be paid their necessary expenses incurred in the proper discharge of their duties as members of the Board.

It will be the duty of the Directors to hold a meeting at least once a month at some place designated by them. They shall elect from their members a Chairman and Secretary and keep regular minutes of their actions.

The Board of Directors shall have the authority to acquire or lease real property, equipment and other

personal property related to the business and affairs of the hospital, including medical office buildings, parking structures, real property, buildings and other facilities determined by the board to be appropriate for the operation of the hospital and the provision of health care services. All property acquired by the board shall be acquired subject to the approval of the county legislative body and shall be held and owned in the same manner as the original property conveyed for establishment of the Bradley County Memorial Hospital under Chapter 846 of the Private Acts of 1947, as subsequently amended. The board shall have the authority to make health care services available through any of the various modalities of care requiring licensure under Title 68, Tennessee Code Annotated, or for which reimbursement may be sought under federal medicare or state medicaid programs. In making such health care services available, the board shall be authorized to construct buildings and other facilities, to purchase equipment and supplies, to enter into contracts or arrangements, and to create subsidiary corporations organized under the Tennessee Nonprofit Corporations Act for the purpose of carrying out the activities permitted hereunder. No real property shall be transferred to another person or entity without the affirmative vote of two-thirds (2/3) of the board of directors. If Bradley County Memorial Hospital is sold or otherwise transferred to a new owner, then the board of directors shall cease to function and the board of directors shall be terminated, such cessation and termination to be effective upon the adoption by the county commission of Bradley County of a resolution declaring that the board of directors has completed all acts necessary to wind up the affairs of Bradley County Memorial Hospital. Upon cessation and termination of the board of directors in accordance with the provisions of this section, the members of the board of directors shall be fully discharged of all of their rights, powers, duties and obligations with regard to Bradley County Memorial Hospital.

As amended by: Private Acts of 1992, Chapter 208
Private Acts of 2007, Chapter 7

SECTION 14. That on the first day of June and January of each and every year hereinafter, such profits or funds that are in the hands of the Board of Directors after retaining such amount as they may deem necessary or advisable for working capital will be delivered over to the Trustee of Bradley County and take his receipt therefor, and said funds will be used to apply on the retirement of the bonds sold under this Act.

As amended by: Private Acts of 1953, Chapter 197

SECTION 15. That should any part of this Act be declared unconstitutional, the remainder thereof shall be valid.

SECTION 16. That all laws and parts of laws in conflict with this Act be, and the same are hereby repealed, and that this Act take effect from and after its passage, the public welfare requiring it.

Passed: March 13, 1947.

COMPILER'S NOTE: The constitutionality of this Act was upheld by the Supreme Court in Carter v. Beeler, 188 Tenn. 838, 219 S.W.2d 195 (1949).

Private Acts of 1953 Chapter 197

SECTION 1. That the Bradley County Memorial Hospital heretofore established under the provisions of Chapter 846 of the Private Acts of 1947 and with State and Federal funds under the provisions of Federal Law known as the "Hill-Burton Act", shall be operated by the Board of Directors, appointed, elected, or chosen under the provisions of said Chapter 846, who shall be vested with full, absolute and complete authority and responsibility for the operation, management, conduct and control of the business and affairs of said hospital. Said authority and responsibility shall include, but shall not be limited to, the establishment, promulgation and enforcement of rules, regulations, and policies, the upkeep and maintenance of all property, the administration of all financial affairs, the maintenance of separate banking arrangements, the execution of all contracts, the purchase of supplies and equipment, and the employment, supervision, compensation and discharge of all personnel including a Hospital Administrator.

SECTION 2. That the Board of Directors or Trustees of the Bradley County Memorial Hospital shall prepare and submit to the County Judge of Bradley County who shall present the same to the Quarterly County Court, a summary report of the operations of said hospital for each six month period.

SECTION 3. That the Board of Directors shall cause an audit to be made annually of the books and records of said hospital by a Certified Public Accountant and reports of said audit, properly certified, shall be delivered to the County Judge who shall present the same to the Quarterly County Court.

SECTION 4. That the Board of Directors is expressly authorized and directed to equip the Bradley County Memorial Hospital with a fund of working capital out of the moneys available for equipping said hospital in such amount as they may deem necessary and advisable and sufficient to meet the requirements and

recommendations of the State and Federal Authorities administering the aid received under the "Hill-Burton Act"; and the Trustee of Bradley County shall pay over to the Board of Directors such working capital fund upon a warrant drawn in the amount fixed by said Board of Directors, which warrant shall be signed by the Chairman and Secretary of the Board of Hospital Directors and shall be countersigned when presented to him by the County Judge of Bradley County.

SECTION 5. That Section 14, Chapter 846, Private Acts of 1947, is hereby amended to insert after the word "Directors", the words, "after retaining such amount as they may deem necessary or advisable for working capital" so that the same shall provide for the retention of working capital out of such profits or funds that are in the hands of the Board of Directors, before the payment over the excess of such profits and funds over the amount necessary or advisable for operating capital, to the Trustee of Bradley County.

COMPILER'S NOTE: These provisions have been included in the Private Acts of 1947, Chapter 846, published herein on the preceding pages.

SECTION 6. That should any part of this Act be declared unconstitutional, the remainder thereof shall be valid.

SECTION 7. That all laws and parts of laws in conflict with this Act be, and the same are hereby repealed, and that this Act take effect from and after its passage, the public welfare requiring it.

Passed: March 18, 1953.

Health - Historical Notes

Health

The following summaries are included herein for reference purposes.

1. Private Acts of 1917, Chapter 653, amended Chapter 85, Public Acts of 1915, Section 12, which regulated the practice of optometry within the State so as to make the terms of that Act inapplicable to Bradley County.
2. Private Acts of 1975, Chapter 155, which was rejected by the Quarterly Court of Bradley County and therefore never became an effective law, would have amended Chapter 846, Private Acts of 1947, published herein, by rewriting Section 12 of the Act to provide for a five member Board of Directors for the Bradley County Memorial Hospital. The Quarterly Court of the County would select two of the Directors at its September meeting in 1975, and would choose two more Directors at the September meeting of the Court in 1977. The Bradley County Medical Society would select one member prior to October, 1975. All members were to serve four year terms. The elections, or appointments, of the Directors would be certified by the County Court Clerk and no one who derived as much as 5% of their total income, or as much as \$1,000 of their gross income would be eligible to serve as a member of the hospital Board of Directors.
3. Private Acts of 1980, Chapter 321, regulated mobile homes, mobile home parks, travel trailers, and travel trailer parks in Bradley County.
4. Private Acts of 1984, Chapter 244, regulated in Bradley County, exclusive of incorporated areas, mobile homes, mobile home parks and travel trailer parks and to repeal Chapter 321 of the Private Acts of 1980.
5. Private Acts of 1988, Chapter 144, made it unlawful to carry or haul trash or garbage into Bradley County for the purpose of disposing in a landfill owned by Bradley County or in public garbage receptacles owned or provided by Bradley County. Any person violating the provisions of this act were subject to a civil penalty of \$250. This act was repealed by Private Acts of 2000, Chapter 77.
6. Private Acts of 1990, Chapter 215, repealed Chapter 244 of the Private Acts of 1984 relative to mobile homes in Bradley County.

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