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By: **Senators Neall, Astle, Baker, Blount, Colburn, Collins, Conway, DeGrange, Della, Dorman, Dyson, Exum, Ferguson, Forehand, Green, Hafer, Haines, Harris, Hoffman, Hogan, Hollinger, Hooper, Hughes, Jacobs, Jimeno, Kasemeyer, Kelley, Kittleman, Lawlah, McFadden, Middleton, Mitchell, Mooney, Munson, Pinsky, Roesser, Ruben, Schrader, Sfikas, Stoltzfus, Stone, Teitelbaum, and Van Hollen**

Introduced and read first time: January 30, 2002  
Assigned to: Budget and Taxation

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Committee Report: Favorable  
Senate action: Adopted  
Read second time: March 21, 2002

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CHAPTER 152

1 AN ACT concerning

2 **Maryland Health and Higher Educational Facilities Authority - Nonprofit**  
3 **Health Service Plans**

4 FOR the purpose of altering a certain defined term under the Maryland Health and  
5 Higher Educational Facilities Authority Act to include nonprofit health service  
6 plans; and generally relating to the Maryland Health and Higher Educational  
7 Facilities Authority Act and nonprofit health service plans.

8 BY repealing and reenacting, with amendments,  
9 Article 43C - Maryland Health and Higher Educational Facilities Authority  
10 Section 3(h)  
11 Annotated Code of Maryland  
12 (1998 Replacement Volume and 2001 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
14 MARYLAND, That the Laws of Maryland read as follows:

15 **Article 43C - Maryland Health and Higher Educational Facilities Authority**

16 3.

17 As used in this article, the following words and terms shall have the following  
18 meanings unless the context indicates another or different meaning or intent:

1 (h) (1) "Hospital" means a hospital, a related institution or a combination of  
2 a hospital and a related institution, located within this State and either meeting the  
3 requirements of and having a license or licenses as required by § 19-318 of the Health  
4 - General Article or, in the case of a new institution, having a precertification  
5 certification or recertification from the State Health Planning and Development  
6 Agency and being or to be, in fact, a health care facility available to the general public  
7 maintained and operated as a nonprofit institution by some person, association,  
8 municipal or other corporation, or other agency, or a nonprofit corporation organized  
9 for the purpose of constructing or acquiring such a hospital, related institution or  
10 combination of a hospital and a related institution.

11 (2) "Hospital" includes:

12 (i) Nonprofit comprehensive health centers providing out-patient  
13 primary health services available to the general public, but does not include any  
14 facility as described in this item which is owned and operated by the State, except  
15 that with the approval of the Board of Public Works and the Joint Audit Committee of  
16 the General Assembly the term includes medical or health care facilities of the  
17 University System of Maryland;

18 (ii) Nonprofit life care or continuing care communities providing  
19 self-contained residence facilities for the retired or elderly, but does not include any  
20 facility as described in this item which is owned and operated by the State unless  
21 approved by the Board of Public Works and the Joint Audit Committee of the General  
22 Assembly;

23 (iii) Any combination of any of the facilities and centers enumerated  
24 in items (i) and (ii) of this paragraph; [and]

25 (iv) Any entity affiliated or associated with a hospital, as defined in  
26 paragraph (1) of this subsection or item (i), (ii), or (iii) of this paragraph, provided that  
27 the Authority determines by resolution that the financing of a project for that entity  
28 serves the public purposes of the hospital; AND

29 (V) A NONPROFIT HEALTH SERVICE PLAN THAT HOLDS A  
30 CERTIFICATE OF AUTHORITY AND PROVIDES HEALTH INSURANCE POLICIES OR  
31 CONTRACTS IN THE STATE IN ACCORDANCE WITH THE INSURANCE ARTICLE.

32 (3) Facilities of the University of Maryland Medical System Corporation  
33 shall not be deemed to be owned and operated by the State.

34 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
35 October 1, 2002.

