

BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL NO. 1254

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “and Mitchell” and substitute “, Mitchell, Barkley, Barve, Bates, Benson, Billings, Bobo, Bohanan, Boschert, Boutin, Bozman, Bronrott, Cadden, Clagett, Conroy, Crouse, Cryor, D’Amato, D. Davis, DeCarlo, Dembrow, Dobson, Doory, Dypski, Flanagan, Frush, Getty, Glassman, Goldwater, Grosfeld, Hammen, Harrison, Hecht, Heller, Hill, Hubbard, Hubers, Hutchins, Kach, Kagan, Kirk, Klima, Krysiak, Lee, Love, Malone, Mandel, McHale, McKee, Menes, Morhaim, Murphy, Nathan-Pulliam, Oaks, O’Donnell, Owings, Patterson, Petzold, Pitkin, Ports, Riley, Rosso, Rudolph, Rzepkowski, Shank, Sher, Shriver, Snodgrass, Sophocleus, Stern, Stocksdale, Turner, Valderrama, and Walkup”; in line 2, strike “Service Plan - Prohibition” and substitute “Entity - Determination by Regulating Entity”; strike beginning with “prohibiting” in line 3 down through “plan” in line 8 and substitute “providing for a stay of a certain determination of a certain regulating entity for a certain period of time; specifying that the General Assembly reserves the right to disapprove a certain acquisition of a certain nonprofit health entity by an act of the Legislature; and generally relating to the acquisition of a nonprofit health entity”; and strike in their entirety lines 9 through 18, inclusive, and substitute:

“BY repealing and reenacting, without amendments,

Article - State Government

Section 6.5-101(b) and (g)

Annotated Code of Maryland

(1999 Replacement Volume and 2001 Supplement)

BY adding to

Article - State Government

Section 6.5-203(h)

Annotated Code of Maryland

(1999 Replacement Volume and 2001 Supplement)”.

(Over)

AMENDMENT NO. 2

On pages 1 through 6, strike in their entirety the lines beginning with line 21 on page 1 through line 26 on page 6, inclusive and substitute:

“Article - State Government

6.5-101.

(b) “Acquisition” means:

(1) a sale, lease, transfer, merger, or joint venture that results in the disposal of the assets of a nonprofit health entity to a for-profit corporation or entity or to a mutual benefit corporation or entity when a substantial or significant portion of the assets of the nonprofit health entity are involved or will be involved in the agreement or transaction;

(2) a transfer of ownership, control, responsibility, or governance of a substantial or significant portion of the assets, operations, or business of the nonprofit health entity to any for-profit corporation or entity or to any mutual benefit corporation or entity;

(3) a public offering of stock; or

(4) a conversion to a for-profit entity.

(g) “Nonprofit health entity” means:

(1) a nonprofit hospital;

(2) a nonprofit health service plan; or

(3) a nonprofit health maintenance organization.

6.5-203.

(H) (1) A DETERMINATION MADE BY THE APPROPRIATE REGULATING ENTITY UNDER SUBSECTION (F) OF THIS SECTION MAY NOT TAKE EFFECT UNTIL 90 CALENDAR DAYS AFTER THE DATE THE DETERMINATION IS MADE.

(2) NOTWITHSTANDING ANY OTHER PROVISION OF THIS TITLE, THE GENERAL ASSEMBLY RESERVES THE RIGHT TO DISAPPROVE, BY AN ACT OF THE LEGISLATURE, THE ACQUISITION OF A NONPROFIT HEALTH ENTITY UNDER THIS TITLE.”