

HB1039/786882/1

BY: Health and Government Operations Committee

AMENDMENTS TO HOUSE BILL 1039

(First Reading File Bill)

AMENDMENT NO. 1

On pages 1 and 2, strike in their entirety the lines beginning with line 4 on page 1 through line 22 on page 2, inclusive, and substitute:

“FOR the purpose of establishing the Prince George’s County Hospital Authority; providing for the mission of the Authority; providing that the Authority is an instrumentality of the State and a public corporation; providing that the exercise by the Authority of certain powers is the performance of an essential public function; requiring the Authority to be subject to the State Open Meetings Law and the State Tort Claims Act; exempting the Authority from certain provisions of State law; providing that the employees of the Authority are not State personnel as defined in a certain provision of State law; authorizing the Authority to take certain actions to fulfill its mission; requiring the Authority to allow the Secretary of Health and Mental Hygiene and Prince George’s County access to certain records, notes, contracts, and plans; requiring the County and Dimensions Health Corporation to provide certain persons access to certain books and records; requiring the Authority to submit a certain request for proposals and certain reports to the Governor, the Secretary, the State Treasurer, the Prince George’s County Executive, the Prince George’s County Council, the President of the Senate, the Speaker of the House of Delegates, and certain committees of the General Assembly at certain times; providing for the powers, duties, and funding of the Authority; requiring the Authority to be governed by a Board of Directors; providing for the membership of the Board; providing for the removal of Board members under certain circumstances; establishing certain duties of the Board; providing that a member of the Board is entitled to reimbursement for certain expenses; providing that a member of the Board is not liable personally for actions taken

(Over)

as a member under certain circumstances; providing that Board members are subject to the provisions of the State ethics laws; specifying the terms of the members of the Board; requiring the Governor, the County Executive, and the County Council to appoint certain representatives and reach certain agreements; providing that certain obligations shall be null and void under certain circumstances; requiring the Authority to establish and implement a certain bidding process for the transfer of a certain health care system to a new owner or owners; requiring the Authority to establish certain time frames and deadlines for the bidding and selection processes; requiring the Authority to implement and adhere to a certain time frame and certain deadlines and requirements; providing that a certain agreement may be made contingent on certain conditions and shall include a certain plan; relieving the State and the County of their respective obligations under certain circumstances; requiring the Authority to develop certain plans; requiring the Authority to submit certain information to certain persons under certain circumstances; providing that a certain health care entity shall be recognized as a merged asset system under certain provisions of law; providing for the transfer of certain property to a new owner of a certain health care system under certain circumstances; providing for certain compensation to the County for a certain acquisition under certain circumstances; authorizing the Governor to include a certain appropriation in the annual State budget bill for a certain fiscal year for the support of a certain health care system; requiring the Governor to include a certain appropriation in the annual State budget bill for a certain fiscal year for the support of a certain health care system under certain circumstances; requiring Prince George's County to make certain appropriations for the support of a certain health care system for certain fiscal years under certain circumstances; stating the intent of the General Assembly regarding certain State funding for the support of the Prince George's Hospital Center; authorizing the transfer of certain funds from the Dedicated Purpose Account under certain circumstances; defining certain terms; requiring the Department of Health and Mental Hygiene and the Department of Business and Economic Development to provide certain staffing and receive certain reimbursement;

stating the intent of the General Assembly that State funding for certain purposes will not be affected by certain State support for the Prince George's County Hospital Authority; making this Act an emergency measure; providing for the termination of this Act; and generally relating to the establishment of the Prince George's County Hospital Authority.

On page 2, in line 25, strike "24-1609" and substitute "24-1608".

AMENDMENT NO. 2

On pages 2 through 14, strike in their entirety the lines beginning with line 33 on page 2 through line 12 on page 14, inclusive, and substitute:

"24-1601.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "AUTHORITY" MEANS THE PRINCE GEORGE'S COUNTY HOSPITAL AUTHORITY.

(C) "BOARD" MEANS THE BOARD OF DIRECTORS OF THE AUTHORITY.

(D) "COUNTY" MEANS PRINCE GEORGE'S COUNTY.

(E) "COUNTY COUNCIL" MEANS THE PRINCE GEORGE'S COUNTY COUNCIL.

(F) "COUNTY EXECUTIVE" MEANS THE COUNTY EXECUTIVE OF PRINCE GEORGE'S COUNTY.

(G) (1) "DIMENSIONS" MEANS DIMENSIONS HEALTH CORPORATION.

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(2) “DIMENSIONS” INCLUDES ANY SUCCESSOR, ASSIGNEE, SUBSIDIARY, OR AFFILIATE OF DIMENSIONS HEALTH CORPORATION, OR ANY HOLDER OF A FINANCIAL INTEREST IN DIMENSIONS HEALTH CORPORATION, THAT OPERATES OR PROVIDES SERVICES AT:

(I) PRINCE GEORGE’S HOSPITAL CENTER;

(II) LAUREL REGIONAL HOSPITAL;

(III) BOWIE HEALTH CAMPUS;

(IV) GLADYS SPELLMAN SPECIALTY HOSPITAL AND NURSING CENTER; OR

(V) LARKIN CHASE NURSING AND REHABILITATION CENTER.

(H) “PRINCE GEORGE’S COUNTY HEALTH CARE SYSTEM” MEANS THE HEALTH CARE FACILITIES, ASSETS, LEASEHOLD RIGHTS, LIABILITIES, AND OPERATIONS CURRENTLY HELD, CONDUCTED, OR OPERATED BY DIMENSIONS AT:

(I) PRINCE GEORGE’S HOSPITAL CENTER;

(II) LAUREL REGIONAL HOSPITAL;

(III) BOWIE HEALTH CAMPUS;

(IV) GLADYS SPELLMAN SPECIALTY HOSPITAL AND NURSING CENTER; OR

(V) LARKIN CHASE NURSING AND REHABILITATION CENTER.

(I) "SECRETARY" MEANS THE SECRETARY OF HEALTH AND MENTAL HYGIENE.

24-1602.

(A) THERE IS A BODY CORPORATE AND POLITIC KNOWN AS THE PRINCE GEORGE'S COUNTY HOSPITAL AUTHORITY.

(B) THE MISSION OF THE AUTHORITY IS TO ESTABLISH AND IMPLEMENT AN OPEN, TRANSPARENT, AND COMPETITIVE BIDDING PROCESS FOR THE PURPOSE OF TRANSFERRING THE PRINCE GEORGE'S COUNTY HEALTH CARE SYSTEM TO ONE OR MORE NEW OWNERS.

(C) THE NEW OWNER OR OWNERS SELECTED THROUGH THE COMPETITIVE BIDDING PROCESS UNDER THIS SUBTITLE SHALL:

(1) PROVIDE ACCESS TO, IMPROVE, AND DELIVER HIGH QUALITY, COMMUNITY-ORIENTED HEALTH AND HOSPITAL SERVICES IN THE COUNTY THAT MEET THE HEALTH CARE NEEDS OF RESIDENTS OF THE COUNTY AND SURROUNDING JURISDICTIONS IN A MANNER CONSISTENT WITH PRINCIPLES OF STATE HEALTH PLANNING LAW UNDER TITLE 19, SUBTITLE 1 OF THIS ARTICLE;

(2) BE A FINANCIALLY SELF-SUSTAINING ENTITY OR ENTITIES CAPABLE OF:

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(I) OPERATING AND ACHIEVING THE GOALS SET FORTH IN ITEM (1) OF THIS SUBSECTION INDEPENDENTLY OF THE STATE AND THE COUNTY;

(II) DEVELOPING A PLAN TO SATISFY ANY LIABILITIES, INCLUDING LONG-TERM BOND INDEBTEDNESS, PENSION OBLIGATIONS, MALPRACTICE LIABILITIES, AND ANY ENCUMBRANCES PLACED BY DIMENSIONS ARISING FROM THE HEALTH CARE FACILITIES, ASSETS, LEASEHOLD RIGHTS, LIABILITIES, OR OPERATIONS HELD OR OPERATED BY DIMENSIONS;

(III) COVERING THE OPERATING AND CAPITAL EXPENSES ARISING FROM THE PRINCE GEORGE'S COUNTY HEALTH CARE SYSTEM; AND

(IV) ACHIEVING ACCESS TO LONG-TERM CAPITAL RESOURCES.

(D) THE AUTHORITY IS AN INSTRUMENTALITY OF THE STATE AND A PUBLIC CORPORATION BY THAT NAME, STYLE, AND TITLE.

(E) (1) THE EXERCISE BY THE AUTHORITY OF THE POWERS CONFERRED BY THIS SUBTITLE IS THE PERFORMANCE OF AN ESSENTIAL PUBLIC FUNCTION.

(2) THE AUTHORITY SHALL BE SUBJECT TO:

(I) THE STATE OPEN MEETINGS LAW, TITLE 10, SUBTITLE 5 OF THE STATE GOVERNMENT ARTICLE; AND

(II) THE STATE TORT CLAIMS ACT, TITLE 12, SUBTITLE 1 OF THE STATE GOVERNMENT ARTICLE.

(3) THE AUTHORITY SHALL BE EXEMPT FROM THE FOLLOWING PROVISIONS OF STATE LAW:

(I) THE STATE PERSONNEL AND PENSIONS ARTICLE;

(II) TITLE 10, SUBTITLE 6 OF THE STATE GOVERNMENT ARTICLE;

(III) DIVISION II OF THE STATE FINANCE AND PROCUREMENT ARTICLE; AND

(IV) THE CLEARINGHOUSE PROVISIONS SET FORTH IN §§ 5-310, 5-504, AND 5-505 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(4) THE EMPLOYEES OF THE AUTHORITY ARE NOT STATE PERSONNEL AS DEFINED IN § 12-101 OF THE STATE GOVERNMENT ARTICLE.

(F) (1) THE AUTHORITY SHALL ALLOW THE SECRETARY AND THE COUNTY ACCESS TO ALL RECORDS, NOTES, CONTRACTS, AND PLANS OF THE AUTHORITY WHICH ARE NOT PROPRIETARY OR CONFIDENTIAL.

(2) THE COUNTY AND DIMENSIONS SHALL PROVIDE THE AUTHORITY, REPRESENTATIVES FROM THE STATE AND COUNTY PARTICIPATING IN THE NEGOTIATIONS TO REACH AGREEMENT ON THE PUBLIC FUNDING COMMITMENTS UNDER § 24-1604 OF THIS SUBTITLE, AND ALL ENTITIES PARTICIPATING IN THE BIDDING PROCESS SET FORTH IN § 24-1605 OF

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THIS SUBTITLE, TIMELY AND COMPLETE ACCESS TO ALL BOOKS AND RECORDS
IN THE COUNTY'S POSSESSION OR CONTROL RELATING TO:

(I) DIMENSIONS;

(II) THE HEALTH CARE SERVICES PROVIDED BY
DIMENSIONS;

(III) THE FACILITIES HELD OR OPERATED BY DIMENSIONS;

(IV) THE PROPERTY OR ASSETS UNDER THE POSSESSION OR
CONTROL OF DIMENSIONS UNDER A LEASE AGREEMENT WITH THE COUNTY;
AND

(V) ALL LIABILITIES ARISING FROM THESE SERVICES,
OPERATIONS, FACILITIES, ASSETS, AND PROPERTY.

(G) (1) ON RELEASE OF THE REQUEST FOR PROPOSALS TO BE ISSUED
IN ACCORDANCE WITH § 24-1605 OF THIS SUBTITLE, THE AUTHORITY
IMMEDIATELY SHALL SUBMIT A COPY OF THE REQUEST FOR PROPOSALS TO THE
GOVERNOR, THE SECRETARY, THE STATE TREASURER, THE COUNTY
EXECUTIVE, THE COUNTY COUNCIL, AND, IN ACCORDANCE WITH § 2-1246 OF
THE STATE GOVERNMENT ARTICLE, THE PRESIDENT OF THE SENATE, THE
SPEAKER OF THE HOUSE OF DELEGATES, THE SENATE BUDGET AND TAXATION
COMMITTEE, THE SENATE FINANCE COMMITTEE, THE HOUSE
APPROPRIATIONS COMMITTEE, AND THE HOUSE HEALTH AND GOVERNMENT
OPERATIONS COMMITTEE.

(2) EVERY 3 MONTHS AFTER THE REQUEST FOR PROPOSALS IS
ISSUED, THE AUTHORITY SHALL SUBMIT A STATUS REPORT ON ITS ABILITY TO

FULFILL ITS MISSION WITHIN THE TIMEFRAMES AND DEADLINES REQUIRED UNDER THIS SUBTITLE TO THE GOVERNOR, THE SECRETARY, THE PRINCE GEORGE'S COUNTY EXECUTIVE, THE PRINCE GEORGE'S COUNTY COUNCIL AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE PRESIDENT OF THE SENATE, THE SPEAKER OF THE HOUSE OF DELEGATES, THE SENATE BUDGET AND TAXATION COMMITTEE, THE SENATE FINANCE COMMITTEE, THE HOUSE APPROPRIATIONS COMMITTEE, AND THE HOUSE HEALTH AND GOVERNMENT OPERATIONS COMMITTEE.

24-1603.

(A) (1) THE AUTHORITY SHALL BE GOVERNED BY A BOARD OF DIRECTORS.

(2) THE BOARD SHALL CONSIST OF SEVEN MEMBERS APPOINTED AS FOLLOWS:

(I) THREE MEMBERS SHALL BE APPOINTED BY THE GOVERNOR;

(II) THREE MEMBERS SHALL BE APPOINTED JOINTLY BY THE COUNTY EXECUTIVE AND THE COUNTY COUNCIL; AND

(III) ONE MEMBER SHALL BE APPOINTED JOINTLY BY THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF DELEGATES.

(3) THE GOVERNOR SHALL DESIGNATE A MEMBER TO SERVE AS THE CHAIR OF THE BOARD.

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(4) (I) THE GOVERNOR, THE COUNTY EXECUTIVE, THE COUNTY COUNCIL, THE PRESIDENT OF THE SENATE, AND THE SPEAKER OF THE HOUSE OF DELEGATES SHALL APPOINT THEIR RESPECTIVE MEMBERS OF THE BOARD NO LATER THAN 30 DAYS AFTER THE AUTHORITY IS ESTABLISHED.

(II) THE BOARD SHALL BEGIN ITS WORK IMMEDIATELY AFTER THE EARLIER OF:

1. ALL MEMBERS BEING APPOINTED; OR
2. 30 DAYS AFTER THE AUTHORITY IS ESTABLISHED.

(B) (1) THE TERM OF A MEMBER IS 2 YEARS.

(2) A MEMBER MAY BE REMOVED FOR NEGLIGENCE OF DUTY, INCOMPETENCE, OR MISCONDUCT BY:

(I) THE GOVERNOR, IF THE MEMBER WAS APPOINTED BY THE GOVERNOR;

(II) THE JOINT ACTION OF THE COUNTY EXECUTIVE AND COUNTY COUNCIL, IF THE MEMBER WAS APPOINTED BY THE COUNTY EXECUTIVE AND COUNTY COUNCIL; AND

(III) THE JOINT ACTION OF THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF DELEGATES, IF THE MEMBER WAS APPOINTED BY THE PRESIDENT AND SPEAKER.

(3) A MEMBER MAY NOT:

(I) BE A CURRENT OR FORMER ELECTED OFFICIAL OF STATE OR LOCAL GOVERNMENT; OR

(II) HAVE A CURRENT OR PAST FINANCIAL INTEREST IN, OR OTHER AFFILIATION AS AN EMPLOYEE OR MEMBER OF THE BOARD OF, DIMENSIONS OR ANY ENTITY AFFILIATED WITH DIMENSIONS.

(C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A MAJORITY OF THE FULL AUTHORIZED MEMBERSHIP OF THE BOARD SHALL CONSTITUTE A QUORUM.

(2) IF, AFTER 30 DAYS AFTER THE AUTHORITY IS ESTABLISHED NOT ALL MEMBERS OF THE BOARD HAVE BEEN APPOINTED, A MAJORITY OF THE MEMBERS WHO HAVE BEEN APPOINTED SHALL CONSTITUTE A QUORUM UNTIL ALL MEMBERS OF THE BOARD HAVE BEEN APPOINTED.

(D) HAVING BEEN GIVEN PRIOR NOTICE OF THE MATTER, THE BOARD MAY ACT ON ANY MATTER WITH THE AUTHORIZATION OF A QUORUM BEING PRESENT AND VOTING.

(E) A MEMBER OF THE BOARD IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

(F) (1) A MEMBER OF THE AUTHORITY SHALL PERFORM THE MEMBER'S DUTIES:

(I) IN GOOD FAITH;

(II) IN THE MANNER THE MEMBER REASONABLY BELIEVES TO BE IN THE BEST INTERESTS OF THE AUTHORITY; AND

(III) WITHOUT INTENTIONAL OR RECKLESS DISREGARD OF THE CARE AN ORDINARILY PRUDENT PERSON IN A LIKE POSITION WOULD USE UNDER SIMILAR CIRCUMSTANCES.

(2) A MEMBER WHO PERFORMS THE MEMBER'S DUTIES IN ACCORDANCE WITH THE STANDARD PROVIDED IN PARAGRAPH (1) OF THIS SUBSECTION IS NOT LIABLE PERSONALLY FOR ACTIONS TAKEN AS A MEMBER.

(G) BOARD MEMBERS SHALL BE SUBJECT TO THE PROVISIONS OF THE STATE ETHICS LAWS, TITLE 15, SUBTITLES 1 THROUGH 7 OF THE STATE GOVERNMENT ARTICLE.

24-1604.

(A) WITHIN 10 DAYS AFTER THE AUTHORITY IS ESTABLISHED, THE GOVERNOR SHALL APPOINT A REPRESENTATIVE, AND THE COUNTY EXECUTIVE AND COUNTY COUNCIL JOINTLY SHALL APPOINT A REPRESENTATIVE, TO CONDUCT NEGOTIATIONS TO REACH AGREEMENT ON THE FUNDING THE STATE AND THE COUNTY WILL COMMIT FOR SUPPORT OF THE PRINCE GEORGE'S COUNTY HEALTH CARE SYSTEM IN THE EVENT THAT THE BIDDING PROCESS ESTABLISHED UNDER § 24-1605 OF THIS SUBTITLE RESULTS IN AN AGREEMENT TO TRANSFER THE PRINCE GEORGE'S COUNTY HEALTH CARE SYSTEM TO A NEW OWNER OR OWNERS.

(B) WITHIN 60 DAYS AFTER THE AUTHORITY IS ESTABLISHED, THE GOVERNOR, THE COUNTY EXECUTIVE, AND THE COUNTY COUNCIL, WITH INPUT FROM THE PRESIDING OFFICERS AND FISCAL LEADERSHIP OF THE

GENERAL ASSEMBLY, SHALL REACH AGREEMENT ON THE FUNDING THE STATE AND THE COUNTY WILL COMMIT FOR SUPPORT OF THE PRINCE GEORGE'S COUNTY HEALTH CARE SYSTEM IF THE BIDDING PROCESS ESTABLISHED UNDER § 24-1605 OF THIS SUBTITLE RESULTS IN AN AGREEMENT TO TRANSFER THE PRINCE GEORGE'S COUNTY HEALTH CARE SYSTEM TO A NEW OWNER OR OWNERS.

(C) THE AGREEMENT ESTABLISHED UNDER SUBSECTION (B) OF THIS SECTION SHALL INCLUDE:

(1) THE AGGREGATE AMOUNT OF FUNDING;

(2) THE PERIOD OF YEARS OVER WHICH THE AGGREGATE AMOUNT OF FUNDING SHALL BE PROVIDED, AND THE AMOUNT OF FUNDING TO BE PROVIDED EACH YEAR; AND

(3) THE PERCENTAGE OF THE TOTAL FINANCIAL COMMITMENT FOR WHICH THE STATE AND THE COUNTY WILL EACH BE RESPONSIBLE.

(D) (1) IF THE AGREEMENT FOR TRANSFER TO THE NEW OWNER OR OWNERS SELECTED THROUGH THE BIDDING PROCESS ESTABLISHED UNDER § 24-1605 OF THIS SUBTITLE REQUIRES LESS FINANCIAL SUPPORT FROM THE STATE AND THE COUNTY THAN THAT AGREED UPON UNDER SUBSECTIONS (B) AND (C) OF THIS SECTION, THE STATE AND THE COUNTY'S FUNDING OBLIGATIONS SHALL BE REDUCED ON A PRO RATA BASIS.

(2) IF, WITHIN 60 DAYS AFTER THE ESTABLISHMENT OF THE AUTHORITY, THE GOVERNOR, THE COUNTY EXECUTIVE, AND THE COUNTY COUNCIL FAIL TO REACH AGREEMENT IN ACCORDANCE WITH SUBSECTIONS (B) AND (C) OF THIS SECTION, THE NEXT QUARTERLY PAYMENT, AND ANY

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SUBSEQUENT PAYMENTS, DUE TO DIMENSIONS FROM THE STATE AND THE COUNTY UNDER § 24-1608 OF THIS SUBTITLE SHALL BE WITHHELD.

(3) IF THE GOVERNOR, THE COUNTY EXECUTIVE, AND THE COUNTY COUNCIL FAIL TO REACH AGREEMENT WITHIN 60 DAYS IN ACCORDANCE WITH SUBSECTIONS (B) AND (C) OF THIS SECTION, ALL OTHER OBLIGATIONS UNDER THIS SUBTITLE SHALL BE NULL AND VOID.

24-1605.

(A) EXCEPT AS OTHERWISE PROVIDED IN § 24-1604(D)(3) OF THIS SUBTITLE, WITHIN 90 DAYS AFTER ITS ESTABLISHMENT, THE AUTHORITY SHALL DEVELOP AND ISSUE A REQUEST FOR PROPOSALS FROM ENTITIES PROVIDING HEALTH CARE SERVICES INSIDE OR OUTSIDE THE STATE FOR THE SALE OR TRANSFER OF THE PRINCE GEORGE'S COUNTY HEALTH CARE SYSTEM.

(B) (1) THE REQUEST FOR PROPOSALS SHALL REQUIRE THAT BIDDERS SUBMIT A PROPOSAL THAT DOES NOT REQUEST OR ASSUME PUBLIC FUNDING IN EXCESS OF THE AMOUNT OF THE STATE AND THE COUNTY'S FUNDING COMMITMENTS AGREED UPON UNDER § 24-1604 OF THIS SUBTITLE AND SET FORTH IN THE REQUEST FOR PROPOSALS; AND

(2) RESPONSIVE BIDS MAY PROPOSE FINANCIAL SUPPORT AND RESOURCES IN EXCESS OF THE PUBLIC FUNDING COMMITMENT, BUT ANY SUCH ADDITIONAL SUPPORT SHALL BE PROVIDED BY SOURCES OTHER THAN THE STATE AND THE COUNTY.

(C) THE REQUEST FOR PROPOSALS SHALL ALLOW THE AUTHORITY TO ASSESS AND GIVE CONSIDERATION TO A BIDDER'S PLAN AND ABILITY TO:

(1) MEET THE GOALS SET FORTH IN § 24-1602(C) OF THIS SUBTITLE FOR ESTABLISHING A FINANCIALLY SELF-SUSTAINING HEALTH CARE SYSTEM WHICH SHALL PROVIDE HIGH QUALITY, COMMUNITY-ORIENTED HEALTH AND HOSPITAL SERVICES TO MEET THE NEEDS OF RESIDENTS OF THE COUNTY AND SURROUNDING JURISDICTIONS;

(2) MEET THE GOALS WITHOUT REQUIRING ANY STATE OR COUNTY FUNDING IN EXCESS OF THE AMOUNT AGREED UPON UNDER § 24-1604 OF THIS SUBTITLE AND PROVIDED IN THE REQUEST FOR PROPOSALS, WITH ANY ADDITIONAL FINANCIAL SUPPORT AND RESOURCES PROVIDED BY THE BIDDER OR SOURCES OTHER THAN THE STATE OR THE COUNTY;

(3) SUPPLEMENT THE PUBLIC FUNDING STREAM WITH ITS OWN OR OTHER FINANCIAL SUPPORT AND RESOURCES;

(4) DEVELOP A PLAN FOR SATISFACTION OF THE OBLIGATIONS AND LIABILITIES HELD BY DIMENSIONS, INCLUDING BOND INDEBTEDNESS, PENSION LIABILITY, MALPRACTICE LIABILITY, AND ANY REMAINING ENCUMBRANCES PLACED ON THE REAL PROPERTY, ASSETS, AND FACILITIES BY DIMENSIONS;

(5) ADDRESS THE CHRONIC PROBLEMS OF ATTRACTING AND RETAINING QUALIFIED MEDICAL PERSONNEL TO SERVE THE HEALTH CARE NEEDS OF RESIDENTS OF THE COUNTY AND SURROUNDING JURISDICTIONS;
AND

(6) DEVELOP A PLAN FOR USE OF THE REAL PROPERTY, ASSETS, AND FACILITIES CURRENTLY HELD OR OPERATED BY DIMENSIONS THAT SHALL SPECIFY;

(I) THE PORTION OR PORTIONS OF THE REAL PROPERTY, ASSETS, AND FACILITIES TO BE ACQUIRED OR TRANSFERRED UNDER THE PROPOSAL;

(II) THE SPECIFIC PURPOSES FOR WHICH EACH PORTION OF THE REAL PROPERTY, ASSETS, AND FACILITIES ACQUIRED OR TRANSFERRED WILL BE USED; AND

(III) THE PROJECTED TIMELINE FOR THE USE AND DEVELOPMENT OF EACH PORTION OF THE REAL PROPERTY, ASSETS, AND FACILITIES TO BE ACQUIRED OR TRANSFERRED.

(D) THE BOARD SHALL SELECT A BIDDER FROM AMONG THE ENTITIES SUBMITTING A PROPOSAL IN ACCORDANCE WITH ITS BY-LAWS ADOPTED UNDER § 24-1607 OF THIS SUBTITLE.

(E) ANY AGREEMENT FOR THE SALE OR TRANSFER OF THE PRINCE GEORGE'S COUNTY HEALTH CARE SYSTEM:

(1) MAY BE MADE CONTINGENT ON:

(I) THE RECEIPT OF SPECIFIC FUNDING COMMITMENTS FROM THE STATE AND THE COUNTY;

(II) IN ACCORDANCE WITH § 24-1606 OF THIS SUBTITLE, THE TRANSFER OF CLEAR LEGAL TITLE TO ALL REAL PROPERTY, ASSETS, AND FACILITIES TO BE ACQUIRED BY OR TRANSFERRED TO THE NEW OWNER OR OWNERS UNDER THE AGREEMENT; AND

(III) ZONING OF THE REAL PROPERTY TO BE ACQUIRED BY OR TRANSFERRED TO THE NEW OWNER OR OWNERS TO PERMIT DEVELOPMENT CONSISTENT WITH THE SURROUNDING AREA AND NOT REZONED TO LIMIT OR REDUCE THE VALUE OR DEVELOPMENT POTENTIAL OF THE REAL PROPERTY; AND

(2) SHALL INCLUDE A PLAN FOR THE SATISFACTION OF ANY INDEBTEDNESS, LIABILITIES, OR ENCUMBRANCES ON THE REAL PROPERTY PLACED AND HELD BY DIMENSIONS AS OF THE EFFECTIVE DATE OF THE TRANSFER TO THE NEW OWNER OR OWNERS.

(F) ANY HEALTH CARE ENTITY THAT RECEIVES THE TRANSFER OF THE PRINCE GEORGE'S COUNTY HEALTH CARE SYSTEM SHALL BE RECOGNIZED AS A MERGED ASSET SYSTEM FOR CERTIFICATE OF NEED PURPOSES UNDER TITLE 19, SUBTITLE 1 OF THIS ARTICLE .

(G) (1) THE AUTHORITY SHALL ESTABLISH A TIME FRAME AND DEADLINES FOR THE SUBMISSION OF BIDS AND SELECTION OF A SUCCESSFUL BIDDER AFTER THE REQUEST FOR PROPOSAL IS ISSUED.

(2) THE TIME FRAME AND DEADLINES SHALL ENSURE THAT A SUCCESSFUL BIDDER SHALL BE SELECTED AND AN AGREEMENT TO TRANSFER THE PRINCE GEORGE'S COUNTY HEALTH CARE SYSTEM TO A NEW OWNER OR OWNERS SHALL BE REACHED IN TIME TO PRESENT THE PROPOSED AGREEMENT TO THE GOVERNOR, THE SECRETARY, THE STATE TREASURER, THE SENATE BUDGET AND TAXATION COMMITTEE, THE SENATE FINANCE COMMITTEE, THE HOUSE APPROPRIATIONS COMMITTEE, THE HOUSE HEALTH AND GOVERNMENT OPERATIONS COMMITTEE, THE PRINCE GEORGE'S COUNTY COUNCIL, AND THE PRINCE GEORGE'S COUNTY EXECUTIVE PRIOR TO THE BEGINNING OF THE 2009 SESSION OF THE GENERAL ASSEMBLY.

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(3) THE AUTHORITY SHALL IMPLEMENT AND ADHERE STRICTLY TO THE TIME FRAME, DEADLINES, AND REQUIREMENTS ESTABLISHED UNDER PARAGRAPHS (1) AND (2) OF THIS SUBSECTION.

(H) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (I) OF THIS SECTION, IF THE AUTHORITY FAILS TO CONDUCT THE BIDDING PROCESS IN ACCORDANCE WITH THE REQUIREMENTS, TIME FRAME, AND DEADLINES SET FORTH IN THIS SUBTITLE, THE STATE AND THE COUNTY SHALL BE RELIEVED OF THEIR OBLIGATION TO COMMIT FINANCIAL SUPPORT TO THE PRINCE GEORGE'S COUNTY HEALTH CARE SYSTEM AS AGREED UPON UNDER § 24-1604(B) AND (C) OF THIS SUBTITLE.

(I) IF THE AUTHORITY, ACTING IN GOOD FAITH AND WITH ALL DUE DILIGENCE, CONDUCTS THE BIDDING PROCESS IN ACCORDANCE WITH THE REQUIREMENTS, TIMEFRAME, AND DEADLINES SET FORTH IN THIS SUBTITLE, BUT IN THE JUDGMENT OF A MAJORITY OF THE BOARD IS UNABLE TO MAKE A FINAL SELECTION OF A SUCCESSFUL BIDDER AND REACH FINAL AGREEMENT ON THE TRANSFER OF THE PRINCE GEORGE'S COUNTY HEALTH CARE SYSTEM BEFORE THE BEGINNING OF THE 2009 SESSION OF THE GENERAL ASSEMBLY:

(1) THE AUTHORITY SHALL SUBMIT A REPORT TO THE GOVERNOR, THE SECRETARY, THE STATE TREASURER, THE PRINCE GEORGE'S COUNTY EXECUTIVE, THE PRINCE GEORGE'S COUNTY COUNCIL, AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE SENATE BUDGET AND TAXATION COMMITTEE, THE SENATE FINANCE COMMITTEE, THE HOUSE APPROPRIATIONS COMMITTEE, AND THE HOUSE HEALTH AND GOVERNMENT OPERATIONS COMMITTEE, BEFORE THE BEGINNING OF THE 2009 SESSION OF THE GENERAL ASSEMBLY;

(2) THE REPORT SHALL EXPLAIN WHY THE AUTHORITY IS UNABLE TO MAKE A TIMELY SELECTION OF A SUCCESSFUL BIDDER AND REACH A TIMELY AGREEMENT ON THE TRANSFER OF THE PRINCE GEORGE'S COUNTY HEALTH CARE SYSTEM, INCLUDING WHATEVER PROBLEMS THERE MAY HAVE BEEN WITH THE BIDS AND THE STATUS OF ANY ONGOING NEGOTIATIONS OVER THOSE BIDS; AND

(3) IF, IN THE JUDGMENT OF A MAJORITY OF THE AUTHORITY, AN EXTENSION OF TIME WOULD ENABLE IT TO COMPLETE THE PROCESS OF SELECTING A SUCCESSFUL BIDDER AND REACHING AGREEMENT ON THE TRANSFER OF THE PRINCE GEORGE'S COUNTY HEALTH CARE SYSTEM, THE REPORT SHALL REQUEST AN EXTENSION OF TIME FOR UP TO BUT NO MORE THAN 60 DAYS, SETTING FORTH THE AMOUNT OF TIME NEEDED AND THE AUTHORITY'S PLAN FOR COMPLETING THE PROCESS WITHIN THE PROPOSED PERIOD OF TIME.

(J) ON AGREEMENT OF THE GOVERNOR, THE COUNTY EXECUTIVE, THE COUNTY COUNCIL, AND THE PRESIDING OFFICERS OF THE GENERAL ASSEMBLY, THE AUTHORITY'S REQUEST FOR EXTENSION OF TIME SHALL BE GRANTED.

(K) IF, AT THE END OF THE EXTENSION OF TIME AND NOT MORE THAN 60 DAYS FROM THE BEGINNING OF THE 2009 GENERAL ASSEMBLY, THE AUTHORITY HAS NOT REACHED A FINAL AGREEMENT ON THE TRANSFER OF THE PRINCE GEORGE'S COUNTY HEALTH CARE SYSTEM TO A SUCCESSFUL BIDDER, THE STATE AND THE COUNTY SHALL BE RELIEVED OF THEIR OBLIGATION TO COMMIT FINANCIAL SUPPORT TO THE PRINCE GEORGE'S COUNTY HEALTH CARE SYSTEM AS AGREED UPON UNDER § 24-1604(B) AND (C) OF THIS SUBTITLE.

24-1606.

(A) (1) ON THE BOARD'S SELECTION OF A NEW OWNER OR OWNERS IN ACCORDANCE WITH THE BIDDING PROCESS ESTABLISHED UNDER § 24-1605 OF THIS SUBTITLE, AND ON AGREEMENT FOR THE SALE OR TRANSFER OF THE PRINCE GEORGE'S COUNTY HEALTH CARE SYSTEM TO THE NEW OWNER OR OWNERS, DISPOSITION OF THE REAL PROPERTY, ASSETS, AND FACILITIES OWNED BY THE COUNTY THAT ARE UNDER THE POSSESSION OR CONTROL OF DIMENSIONS, AS A RESULT OF ANY LEASE AGREEMENT WITH THE COUNTY, SHALL OCCUR AS FOLLOWS:

(I) THE COUNTY SHALL TRANSFER TITLE TO ALL REAL PROPERTY, ASSETS, AND FACILITIES THAT ARE ACQUIRED BY THE NEW OWNER OR OWNERS AS PART OF THE AGREEMENT FOR THE SALE OR TRANSFER OF THE HEALTH CARE SYSTEM TO THE NEW OWNER OR OWNERS FOR COMPENSATION TO THE COUNTY AS PROVIDED UNDER SUBSECTIONS (B) AND (C) OF THIS SECTION;

(II) THE PROCESS FOR TRANSFER OF TITLE SHALL BE COMPLETED BY THE DATE OF FINAL IMPLEMENTATION OF THE AGREEMENT FOR THE SALE OR TRANSFER OF THE HEALTH CARE SYSTEM; AND

(III) ANY PORTION OF THE REAL PROPERTY, ASSETS, AND FACILITIES THAT ARE NOT ACQUIRED BY A NEW OWNER OR OWNERS AS PART OF THE AGREEMENT FOR THE SALE OR TRANSFER OF THE HEALTH CARE SYSTEM SHALL REMAIN UNDER THE CONTROL AND OWNERSHIP OF THE COUNTY.

(2) THE COUNTY SHALL SETTLE ALL ENCUMBRANCES THE COUNTY HAS PLACED OR BEEN INVOLVED IN PLACING ON THE REAL PROPERTY, ASSETS, AND FACILITIES TO BE ACQUIRED BY THE NEW OWNER OR OWNERS

PRIOR TO THE TRANSFER OF TITLE, SO THAT, EXCEPT FOR ANY REMAINING ENCUMBRANCES PLACED AND HELD SOLELY BY DIMENSIONS, CLEAR LEGAL TITLE WILL BE CONVEYED.

(B) (1) THE COUNTY MAY NOT RECEIVE COMPENSATION OR CREDIT TOWARD ITS FINANCIAL OBLIGATIONS AS AGREED UPON UNDER § 24-1604 OF THIS SUBTITLE FOR THE REAL PROPERTY, ASSETS, AND FACILITIES ACQUIRED BY THE NEW OWNER OR OWNERS THAT WILL BE USED FOR PURPOSES RELATED TO THE OPERATIONS OF A HEALTH CARE SYSTEM SERVING THE RESIDENTS OF THE COUNTY AND SURROUNDING JURISDICTIONS.

(2) SPECIFIC PLANS FOR SUCH USE SHALL BE ESTABLISHED IN THE AGREEMENT FOR THE SALE OR TRANSFER OF THE HEALTH CARE SYSTEM.

(3) THE DEVELOPMENT OF THE REAL PROPERTY, ASSETS, AND FACILITIES FOR PURPOSES RELATED TO THE OPERATION OF A HEALTH CARE SYSTEM SHALL OCCUR AND BE SUBSTANTIALLY UNDERWAY AT LEAST ONE YEAR BEFORE THE END OF THE PERIOD DURING WHICH THE STATE AND THE COUNTY ARE PROVIDING FINANCIAL SUPPORT TO THE HEALTH CARE SYSTEM.

(C) (1) FOR ANY PORTION OR PORTIONS OF THE REAL PROPERTY, ASSETS, OR FACILITIES ACQUIRED BY THE NEW OWNER OR OWNERS THAT WILL NOT BE USED FOR PURPOSES RELATED TO THE OPERATION OF A HEALTH CARE SYSTEM, IF ANY, THE COUNTY SHALL BE GIVEN A CREDIT TOWARDS ITS OBLIGATION FOR FINANCIAL SUPPORT OF THE PRINCE GEORGE'S COUNTY HEALTH CARE SYSTEM AS AGREED UPON UNDER § 24-1604 OF THIS SUBTITLE.

(2) THE AMOUNT OF THE CREDIT SHALL BE DETERMINED BY THE AVERAGE OF THREE INDEPENDENT APPRAISALS OF THE VALUE OF THAT

(Over)

PORTION OR PORTIONS OF THE REAL PROPERTY, ASSETS, OR FACILITIES, AS FOLLOWS:

(I) TWO APPRAISALS SHALL BE CONDUCTED BY QUALIFIED APPRAISERS EMPLOYED BY OR UNDER CONTRACT WITH THE STATE;

(II) ONE APPRAISAL SHALL BE CONDUCTED BY A QUALIFIED APPRAISER EMPLOYED BY OR UNDER CONTRACT WITH THE COUNTY; AND

(III) THE APPRAISALS MAY NOT BE REDUCED BY THE AMOUNT OF ANY REMAINING ENCUMBRANCES PLACED AND HELD BY DIMENSIONS.

(3) ANY CREDIT SHALL BE REDUCED BY THE AMOUNT OF FUNDING, IF ANY, REQUIRED TO REMOVE ANY ENCUMBRANCES PLACED BY OR WITH THE INVOLVEMENT OF THE COUNTY ON THE TITLE TO THE FACILITIES, ASSETS, AND REAL PROPERTY CONVEYED TO THE NEW OWNER OR OWNERS.

(4) ANY CREDIT SHALL BE APPLIED ON A PRO RATA BASIS FOR EACH YEAR OF THE COUNTY'S FUNDING OBLIGATION AS AGREED UPON UNDER § 24-1604 OF THIS SUBTITLE.

(D) IF THE AMOUNT OF THE CREDIT AS DETERMINED UNDER SUBSECTION (C)(2) AND (3) OF THIS SECTION EXCEEDS THE COUNTY'S TOTAL OBLIGATION FOR FINANCIAL SUPPORT, THE NEW OWNER OR OWNERS SHALL PROMPTLY PAY THE BALANCE TO THE COUNTY.

24-1607.

(A) (1) SUBJECT TO ANY LIMITATIONS UNDER THIS SUBTITLE OR OTHER APPLICABLE LAW, THE AUTHORITY SHALL HAVE ALL POWERS NECESSARY OR CONVENIENT TO FURTHER ITS MISSION.

(2) THE ENUMERATION OF SPECIFIC POWERS IN THIS SUBTITLE IS NOT INTENDED TO RESTRICT THE AUTHORITY'S POWER TO TAKE ANY LAWFUL ACTION THAT THE AUTHORITY DETERMINES IS NECESSARY OR CONVENIENT TO FURTHER ITS MISSION.

(B) IN ADDITION TO THE POWERS SET FORTH ELSEWHERE IN THIS SUBTITLE, THE AUTHORITY MAY:

(1) ADOPT AND ALTER AN OFFICIAL SEAL;

(2) SUE AND BE SUED, PLEAD AND BE IMPEADED;

(3) ADOPT BYLAWS, RULES, AND REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SUBTITLE;

(4) MAINTAIN AN OFFICE AT THE PLACE DESIGNATED BY THE AUTHORITY;

(5) EMPLOY OR RETAIN ANY PERSONNEL THAT THE AUTHORITY DETERMINES TO BE NECESSARY AND FIX THEIR COMPENSATION;

(6) ENTER INTO ANY AGREEMENTS NECESSARY TO MANAGE ITS OWN AFFAIRS; AND

(8) APPLY FOR AND RECEIVE GRANTS, CONTRACTS, OR OTHER PUBLIC OR PRIVATE FUNDING.

(Over)

(C) THE AUTHORITY SHALL RECEIVE FUNDING IN AN AMOUNT NOT TO EXCEED \$1,500,000, DIVIDED EVENLY BETWEEN THE STATE AND THE COUNTY FROM THE APPROPRIATIONS PROVIDED UNDER § 24-1608 OF THIS SUBTITLE.

24-1608.

(A) SUBJECT TO § 24-1604(D)(2) OF THIS SUBTITLE:

(1) FOR FISCAL YEAR 2009, THE GOVERNOR MAY INCLUDE IN THE BUDGET SUBMITTED TO THE GENERAL ASSEMBLY AN APPROPRIATION OF \$12,000,000 FOR THE FINANCIAL SUPPORT OF THE FACILITIES, ASSETS, LEASEHOLD RIGHTS, LIABILITIES, AND OPERATIONS HELD OR OPERATED BY DIMENSIONS; AND

(2) FOR FISCAL YEAR 2009, THE COUNTY SHALL APPROPRIATE \$12,000,000 FOR THE FINANCIAL SUPPORT OF THE FACILITIES, ASSETS, LEASEHOLD RIGHTS, LIABILITIES, AND OPERATIONS HELD OR OPERATED BY DIMENSIONS.

(B) SUBJECT TO § 24-1604(D)(2) OF THIS SUBTITLE, AND UNLESS AN AGREEMENT FOR THE SALE OR TRANSFER OF THE PRINCE GEORGE'S COUNTY HEALTH CARE SYSTEM TO A NEW OWNER OR OWNERS IS REACHED THAT RENDERS THE ACTION NO LONGER NECESSARY:

(1) THE GOVERNOR SHALL INCLUDE IN THE FISCAL YEAR 2010 BUDGET SUBMITTED TO THE GENERAL ASSEMBLY AN APPROPRIATION OF \$12,000,000 FOR THE FINANCIAL SUPPORT OF THE PRINCE GEORGE'S COUNTY HEALTH CARE SYSTEM; AND

(2) FOR FISCAL YEAR 2010, THE COUNTY SHALL APPROPRIATE \$12,000,000 FOR THE FINANCIAL SUPPORT OF THE PRINCE GEORGE'S COUNTY HEALTH CARE SYSTEM.

(C) (1) THE STATE AND THE COUNTY SHALL MAKE THEIR RESPECTIVE PAYMENTS TO DIMENSIONS IN QUARTERLY INCREMENTS OF \$3,000,000 EACH, DUE AT THE BEGINNING OF EVERY QUARTER OF EACH FISCAL YEAR.

(2) (I) IF SCHEDULED PAYMENTS ARE NOT MADE BY THE FIFTEENTH DAY AFTER EACH PAYMENT IS DUE, CHARGES SHALL ACCRUE ON ANY UNPAID PAYMENTS AT A SIMPLE RATE OF 1% PER MONTH.

(II) LATE PAYMENT CHARGES SHALL BE ADDED TO THE SCHEDULED PAYMENT EVERY THIRTY DAYS THEREAFTER.

SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the members of the Board of the Prince George's County Hospital Authority, established under Section 1 of this Act, shall expire within two years of the effective date of this Act."

AMENDMENT NO. 3

On page 14, strike in their entirety lines 19 through 35, inclusive, and substitute:

"SECTION 4. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the State, subject to the conditions set forth in this Act, shall provide support for the Prince George's Hospital Center in the amount of \$12,000,000 for each of fiscal years 2009 and 2010.

SECTION 5. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, up to \$20,000,000 may be transferred from the Dedicated Purpose Account established under § 7-310 of the State Finance and Procurement Article by approved budget amendment to the Department of Health and Mental Hygiene for the purpose of providing support to Dimensions for the operation of the Prince Georges County health care system pending implementation of the requirements of this Act.”.

AMENDMENT NO. 4

On page 15, in lines 1 and 4, strike “5.” and “6.”, respectively, and substitute “6.” and “7.”, respectively; and after line 8, insert:

“SECTION 8. AND BE IT FURTHER ENACTED, That this Act shall remain effective for a period of two years and, at the end of two years, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.”.