HB1388/633422/1

BY: Finance Committee

AMENDMENTS TO HOUSE BILL 1388

(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike "Clauses –" and substitute "Clauses for"; in line 3, after "Professionals" insert "and Study of the Health Care Market"; in line 7, after "State;" insert "establishing certain prohibitions regarding noncompete and conflict of interest provisions for certain health care employment contracts and similar documents and agreements; requiring the Maryland Health Care Commission to contract with a private consultant to study certain issues related to the health care market in the State;"; and strike beginning with "noncompete" in line 7 down through "contracts" in line 8 and substitute "employment of veterinary and health care professionals".

AMENDMENT NO. 2

On page 1, in line 18, strike "section" and substitute "SUBSECTION".

On page 2, in line 4, strike "OR"; in line 6, after "EMPLOYEE" insert ":

<u>**A.**</u>";

in lines 6 and 7, strike ":

A.";

in line 7, strike "OR"; after line 7, insert:

"B. IS EMPLOYED IN A POSITION THAT PROVIDES DIRECT PATIENT CARE; AND

HB1388/633422/01 Finance Committee Amendments to HB 1388 Page 2 of 4

<u>C.</u> <u>EARNS EQUAL TO OR LESS THAN \$350,000 IN</u> <u>TOTAL ANNUAL COMPENSATION; OR";</u>

in line 8, strike "B." and substitute "3."; in the same line, strike "AS" and substitute "AN EMPLOYEE LICENSED AS"; in line 12, strike "section" and substitute "SUBSECTION"; in line 13, after "client" insert "OR PATIENT"; in line 14, after "client—related" insert "OR PATIENT—RELATED"; in line 15, strike "(b)" and substitute "(3)"; and after line 18, insert:

- "(B) (1) THIS SUBSECTION APPLIES ONLY TO AN EMPLOYMENT CONTRACT OR SIMILAR DOCUMENT OR AGREEMENT CONCERNING EMPLOYMENT IN A POSITION FOR WHICH THE EMPLOYEE:
- (I) IS REQUIRED TO BE LICENSED UNDER THE HEALTH OCCUPATIONS ARTICLE;
- (II) IS EMPLOYED IN A POSITION THAT PROVIDES DIRECT PATIENT CARE; AND
- (III) EARNS MORE THAN \$350,000 IN TOTAL ANNUAL COMPENSATION.
- (2) (I) THE PERIOD FOR WHICH A NONCOMPETE OR CONFLICT OF INTEREST PROVISION IN AN EMPLOYMENT CONTRACT OR SIMILAR DOCUMENT OR AGREEMENT IS IN EFFECT MAY NOT EXCEED 1 YEAR FROM THE LAST DAY OF EMPLOYMENT.
- (II) THE GEOGRAPHICAL RESTRICTION IN A NONCOMPETE OR CONFLICT OF INTEREST PROVISION IN AN EMPLOYMENT CONTRACT OR

HB1388/633422/01 Finance Committee Amendments to HB 1388 Page 3 of 4

SIMILAR DOCUMENT OR AGREEMENT MAY NOT EXCEED 10 MILES FROM THE PRIMARY PLACE OF EMPLOYMENT.

(3) ON REQUEST OF A PATIENT, AN EMPLOYER OF AN EMPLOYEE DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION SHALL PROVIDE NOTICE TO A PATIENT OF THE NEW LOCATION WHERE A FORMER EMPLOYEE WILL BE PRACTICING.".

AMENDMENT NO. 3

On page 2, after line 21, insert:

"SECTION 2. AND BE IT FURTHER ENACTED, That:

- (a) The Maryland Health Care Commission shall contract with a private consultant to study, in consultation with relevant stakeholders:
- (1) the effect of private equity firms on the health care market in the State, including:
- (i) the impact on the State's ability to meet the goals and objectives of the Total Cost of Care Model; and
- (ii) the impact on efforts to address health disparities and social determinants of health;
- (2) the payer mix for physician practices and groups with private equity ownership;
 - (3) the impact of hospital consolidations on physician practices;
 - (4) the acquisition of physician practices; and

HB1388/633422/01 Finance Committee Amendments to HB 1388 Page 4 of 4

- (5) the impact on the ability of nonprofit hospitals and health systems to maintain access to care, including the ability to hire and retain physicians.
- (b) On or before January 1, 2025, the Commission shall report on the findings and recommendations from the study required under subsection (a) of this section to the Senate Finance Committee and the House Health and Government Operations Committee, in accordance with § 2-1257 of the State Government Article.

SECTION 3. AND BE IT FURTHER ENACTED, That § 3–716(a)(1)(i)2 and (b) of the Labor and Employment Article, as enacted by Section 1 of this Act, shall be construed to apply only to employment contracts or similar documents or agreements for employment executed on or after July 1, 2025.";

and in line 22, strike "2." and substitute "4.".