

SENATE BILL 732

J3, J1

7lr1115
CF 7lr3133

By: **Senators Feldman and Klausmeier**

Introduced and read first time: February 3, 2017

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Hospitals – Acquisitions of Physician Offices, Group Practices, and Outpatient**
3 **Health Care Entities – Notice**

4 FOR the purpose of requiring a hospital to provide certain patients of a certain office,
5 practice, or entity certain notice of a certain acquisition at least a certain number of
6 days before the acquisition; requiring the notice to be in a certain form; establishing
7 a certain penalty for a violation of this Act; defining certain terms; and generally
8 relating to hospitals and acquisitions of physician offices, group practices, and
9 outpatient health care entities.

10 BY adding to

11 Article – Health – General

12 Section 19–349.2

13 Annotated Code of Maryland

14 (2015 Replacement Volume and 2016 Supplement)

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

17 **Article – Health – General**

18 **19–349.2.**

19 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
20 **INDICATED.**

21 **(2) “GROUP PRACTICE” HAS THE MEANING STATED IN § 1–301 OF THE**
22 **HEALTH OCCUPATIONS ARTICLE.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(3) “OUTPATIENT HEALTH CARE ENTITY” MEANS A BUSINESS ENTITY**
2 **THAT PROVIDES OUTPATIENT HEALTH CARE SERVICES FOR THE:**

3 **(I) TESTING, DIAGNOSING, OR TREATMENT OF HUMAN DISEASE**
4 **OR DYSFUNCTION; OR**

5 **(II) DISPENSING OF DRUGS, MEDICAL DEVICES, MEDICAL**
6 **APPLIANCES, OR MEDICAL GOODS FOR THE TREATMENT OF HUMAN DISEASE OR**
7 **DYSFUNCTION.**

8 **(B) (1) AT LEAST 30 DAYS BEFORE A HOSPITAL ACQUIRES A PHYSICIAN**
9 **OFFICE, A GROUP PRACTICE, OR AN OUTPATIENT HEALTH CARE ENTITY, THE**
10 **HOSPITAL SHALL PROVIDE WRITTEN NOTICE OF THE ACQUISITION TO EACH**
11 **PATIENT WHO, WITHIN THE PRECEDING 12 MONTHS, HAS RECEIVED HEALTH CARE**
12 **SERVICES AT THE PHYSICIAN OFFICE, GROUP PRACTICE, OR OUTPATIENT HEALTH**
13 **CARE ENTITY.**

14 **(2) THE WRITTEN NOTICE REQUIRED UNDER THIS SUBSECTION**
15 **SHALL BE SUBSTANTIALLY IN THE FOLLOWING FORM:**

16 **“THE PHYSICIAN OFFICE, GROUP PRACTICE, OR OUTPATIENT HEALTH CARE ENTITY**
17 **WHERE YOU ARE OR WERE RECENTLY A PATIENT WILL BECOME HOSPITAL-OWNED**
18 **ON (INSERT DATE ON WHICH THE OFFICE, PRACTICE, OR ENTITY WILL BECOME**
19 **HOSPITAL-OWNED) AND MAY CHARGE MORE FOR OUTPATIENT HEALTH CARE**
20 **SERVICES. THE SAME OUTPATIENT HEALTH CARE SERVICES YOU NOW RECEIVE OR**
21 **RECENTLY HAVE RECEIVED MAY BE AVAILABLE AT A LOWER COST AT OTHER**
22 **PHYSICIAN OFFICES, GROUP PRACTICES, OR OUTPATIENT HEALTH CARE ENTITIES**
23 **THAT ARE NOT HOSPITAL-OWNED.**

24 **IF YOU WOULD LIKE MORE INFORMATION ABOUT OTHER NON-HOSPITAL-OWNED**
25 **PHYSICIAN OFFICES, GROUP PRACTICES, OR OUTPATIENT HEALTH CARE ENTITIES**
26 **AT WHICH YOU MAY BE ABLE TO RECEIVE HEALTH CARE SERVICES, CONTACT**
27 **(INSERT NAME OF THE OFFICE, PRACTICE, OR ENTITY THAT WILL BECOME**
28 **HOSPITAL-OWNED) AT (INSERT TELEPHONE NUMBER OF THE OFFICE, PRACTICE, OR**
29 **ENTITY THAT WILL BECOME HOSPITAL-OWNED) OR CHECK WITH YOUR HEALTH**
30 **INSURANCE COMPANY.”.**

31 **(C) A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A MISDEMEANOR**
32 **AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING \$500.**

33 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
34 October 1, 2017.