

(1999 Replacement Volume and 2001 Supplement)

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

Article — Insurance

~~14-107.1.~~

~~(A) IN THIS SECTION, "ACQUISITION" HAS THE MEANING STATED IN § 6.5-101(B) OF THE STATE GOVERNMENT ARTICLE.~~

~~(B) A NONPROFIT HEALTH SERVICE PLAN MAY NOT BE SUBJECT TO ACQUISITION.~~

Article — State Government

~~6.5-101.~~

~~(a) In this title the following words have the meanings indicated.~~

~~(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.~~

~~(c) "Administration" means the Maryland Insurance Administration.~~

~~(d) "Department" means the Department of Health and Mental Hygiene.~~

~~(e) "Health maintenance organization" has the meaning stated in § 19-701 of the Health General Article.~~

~~(f) "Hospital" has the meaning stated in § 19-301 of the Health General Article.~~

~~(g) "Nonprofit health entity" means:~~

~~(1) a nonprofit hospital; OR~~

~~(2) [a nonprofit health service plan; or~~

~~(3)] a nonprofit health maintenance organization.~~