

10-430. RESERVED.

10-431. RESERVED.

PART IV. FACILITIES AND ASSETS.

10-432. SALE OR TRANSFER OF FACILITY OWNERSHIP — IN GENERAL.

(A) SCOPE OF PROVISIONS GOVERNING SALE OR TRANSFER OF FACILITY OWNERSHIP.

(1) THIS SECTION AND §§ 10-433 THROUGH 10-435 OF THIS SUBTITLE DO NOT APPLY TO A TRANSFER OF OWNERSHIP OF A FACILITY, OR A TRANSFER OF OWNERSHIP OR CONTROL OF A PERSON THAT OWNS OR CONTROLS A FACILITY, IF:

(I) THE TRANSFER IS PART OF A BUSINESS REORGANIZATION; AND

(II) THE SAME PERSON OR PERSONS HOLDING A MAJORITY OF OWNERSHIP OR RIGHT TO CONTROL BEFORE THE BUSINESS REORGANIZATION WILL RETAIN, DIRECTLY OR INDIRECTLY, A MAJORITY OF OWNERSHIP OR RIGHT TO CONTROL AFTER THE BUSINESS REORGANIZATION.

(2) THE PROVIDER SHALL NOTIFY THE DEPARTMENT AND THE FACILITY'S SUBSCRIBERS 30 DAYS BEFORE ANY REORGANIZATION DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION.

(B) RESTRICTIONS ON SALE OR TRANSFER OF FACILITY.

UNLESS THE DEPARTMENT APPROVES THE SALE OR TRANSFER IN ACCORDANCE WITH §§ 10-433 THROUGH 10-435 OF THIS SUBTITLE, A PROVIDER THAT HOLDS A PRELIMINARY, INITIAL, OR RENEWAL CERTIFICATE OF REGISTRATION OR A PERSON WITH AN OWNERSHIP INTEREST IN OR A RIGHT TO CONTROL THE PROVIDER, THROUGH GOVERNING BODY APPOINTMENTS OR CONTRACTUAL OR SIMILAR ARRANGEMENTS, MAY NOT SELL OR OTHERWISE TRANSFER, DIRECTLY OR INDIRECTLY:

(1) MORE THAN 50% OF THE PROVIDER'S OWNERSHIP OF A FACILITY; OR

(2) MORE THAN 50% OF THE OWNERSHIP OF OR RIGHT TO CONTROL A PERSON THAT OWNS OR CONTROLS A FACILITY.

(C) AGGREGATION.

ANY SERIES OF SALES OR OTHER TRANSFERS DESCRIBED IN SUBSECTION (B) OF THIS SECTION THAT OCCUR IN A 12-MONTH PERIOD SHALL BE AGGREGATED FOR PURPOSES OF THIS SECTION AND §§ 10-433 THROUGH 10-435 OF THIS SUBTITLE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 70B, § 11D(a).

In subsection (a)(1)(ii) of this section, the reference to the "same person or persons" is substituted for the former reference to "the same party or parties" for internal consistency.