

CHAPTER 555

(House Bill 386)

AN ACT concerning

Health Services Cost Review Commission – Facilities – Notification of Financial Transactions

FOR the purpose of requiring facilities to notify the Health Services Cost Review Commission of certain business transactions within a certain time period; requiring the Commission to publish notice of the proposed financial transaction in a certain newspaper in the area where the facility is located; exempting certain financial transactions, contracts, or other agreements from certain requirements; and generally relating to notification to the Health Services Cost Review Commission by facilities of certain financial transactions.

BY adding to

Article – Health – General

Section 19-212.1

Annotated Code of Maryland

(1990 Replacement Volume and 1990 Supplement)

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

Article – Health – General

19-212.1.

(A) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, A FACILITY SHALL NOTIFY THE COMMISSION AT LEAST 30 DAYS PRIOR TO EXECUTING ANY FINANCIAL TRANSACTION, CONTRACT, OR OTHER AGREEMENT THAT WOULD:

(1) PLEDGE MORE THAN 50% OF THE OPERATING ASSETS OF THE FACILITY AS COLLATERAL FOR A LOAN OR OTHER OBLIGATION; OR

(2) RESULT IN MORE THAN 50% OF THE OPERATING ASSETS OF THE FACILITY BEING SOLD, LEASED, OR TRANSFERRED TO ANOTHER PERSON OR ENTITY.

(B) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, THE COMMISSION SHALL PUBLISH A NOTICE OF THE PROPOSED FINANCIAL TRANSACTION, CONTRACT, OR OTHER AGREEMENT REPORTED BY A FACILITY IN ACCORDANCE WITH SUBSECTION (A) OF THIS SECTION IN A NEWSPAPER OF GENERAL CIRCULATION IN THE AREA WHERE THE FACILITY IS LOCATED.