

Annotated Code of Maryland
(1996 Replacement Volume and 1997 Supplement)

BY repealing and reenacting, with amendments,

Article - Insurance

Section 4-113(b)

Annotated Code of Maryland
(1997 Volume)

BY repealing and reenacting, with amendments,

Article - Insurance

Section 14-112

Annotated Code of Maryland
(1997 Volume)

BY repealing

Article - Insurance

Section 14-131 *and* 14-132

Annotated Code of Maryland
(1997 Volume)

Preamble

~~WHEREAS, Many charitable and nonprofit health entities exist in the State, including hospitals, health service plans, health maintenance organizations, and other nonprofit entities that provide health care and health insurance to residents of the State; and~~

~~WHEREAS, Over a period of years, these nonprofit health entities have received various types of beneficial tax treatment and other benefits while operating in the State; and~~

~~WHEREAS, Nonprofit health entities are not owned by individuals, but rather exist for the benefit of the public and are required to fulfill their nonprofit mission as expressed in the charters of their corporations; and~~

~~WHEREAS, The acquisition of nonprofit health entities by, and the transfer of assets to, for profit entities is a national trend and, in some cases, the assets of the nonprofit health entities are not fully accounted for or are not used for the benefit of the State; and~~

~~WHEREAS, It is in the best interests of the State to ensure that, whenever a nonprofit health entity is acquired or otherwise converts to for profit status, the public and charitable assets of the nonprofit health entity are fully accounted for and properly distributed to the State for the benefit of the public; and~~

~~WHEREAS, The General Assembly intends that the Secretary of Health and Mental Hygiene, the Insurance Commissioner, and the Attorney General ensure that~~