

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 83 Session of 2023

INTRODUCED BY MUTH, FONTANA, KANE, DILLON AND COMITTA,  
JANUARY 12, 2023

REFERRED TO HEALTH AND HUMAN SERVICES, JANUARY 12, 2023

AN ACT

1 Amending the act of July 19, 1979 (P.L.130, No.48), entitled "An  
2 act relating to health care; prescribing the powers and  
3 duties of the Department of Health; establishing and  
4 providing the powers and duties of the State Health  
5 Coordinating Council, health systems agencies and Health Care  
6 Policy Board in the Department of Health, and State Health  
7 Facility Hearing Board in the Department of Justice;  
8 providing for certification of need of health care providers  
9 and prescribing penalties," in licensing of health care  
10 facilities, providing for hospital pricing transparency;  
11 providing for acquisition of health care facilities; and  
12 imposing duties on the Department of Health and the Attorney  
13 General.

14 The General Assembly of the Commonwealth of Pennsylvania  
15 hereby enacts as follows:

16 Section 1. The act of July 19, 1979 (P.L.130, No.48), known  
17 as the Health Care Facilities Act, is amended by adding a  
18 section to read:

19 Section 823. Hospital pricing transparency.

20 (a) Requirement generally.--No later than December 31, 2023,  
21 a hospital or hospital system shall establish, update and  
22 publish on its publicly accessible Internet website a list of  
23 its standard charges for each item or service that it provides

1 as required under 42 U.S.C. § 300gg-18 (relating to bringing  
2 down the cost of health care coverage).

3 (b) Required data elements.--A hospital or hospital system  
4 shall include all of the following corresponding data elements  
5 in its list of standard charges, as applicable:

6 (1) A description of each item or service provided by  
7 the hospital or hospital system.

8 (2) The gross charge that applies to each individual  
9 item or service when provided in, as applicable, the hospital  
10 inpatient setting and outpatient department setting.

11 (3) The payer-specific negotiated charge that applies to  
12 each item or service when provided in, as applicable, the  
13 hospital inpatient setting and outpatient department setting.  
14 Each payer-specific negotiated charge shall be clearly  
15 associated with the name of the third-party payer and plan.

16 (4) The de-identified minimum negotiated charge that  
17 applies to each item or service when provided in, as  
18 applicable, the hospital inpatient setting and outpatient  
19 department setting.

20 (5) The de-identified maximum negotiated charge that  
21 applies to each item or service when provided in, as  
22 applicable, the hospital inpatient setting and outpatient  
23 department setting.

24 (6) The discounted cash price that applies to each item  
25 or service when provided in, as applicable, the hospital  
26 inpatient setting and outpatient department setting.

27 (7) Any code used by the hospital or hospital system for  
28 purposes of accounting or billing for the item or service,  
29 including, but not limited to, the Current Procedural  
30 Terminology (CPT) code, the Healthcare Common Procedure

1 Coding System (HCPCS) code, the Diagnosis Related Group  
2 (DRG), the National Drug Code (NDC) or other common payer  
3 identifier.

4 (c) Continued obligation.--A hospital or hospital system  
5 shall continue to publish its charges and services if:

6 (1) 42 U.S.C. § 300gg-18 is repealed; or

7 (2) Federal enforcement of 42 U.S.C. § 300gg-18 is  
8 stopped.

9 (d) Definitions.--As used in this section, the following  
10 words and phrases shall have the meanings given to them in this  
11 subsection unless the context clearly indicates otherwise:

12 "De-identified maximum negotiated charge." The highest  
13 charge that a hospital or hospital system has negotiated with  
14 all third-party payers for an item or service.

15 "De-identified minimum negotiated charge." The lowest charge  
16 that a hospital or hospital system has negotiated with all  
17 third-party payers for an item or service.

18 "Discounted cash price." The charge that applies to an  
19 individual who pays cash or a cash equivalent for a hospital  
20 item or service.

21 "Gross charge." The charge for an individual item or service  
22 that is reflected on a hospital's chargemaster, absent any  
23 discounts.

24 "Item or service." As follows:

25 (1) Each item or service, including an individual item  
26 or service or service package, that could be provided by a  
27 hospital to a patient in connection with an inpatient  
28 admission or an outpatient department visit for which the  
29 hospital has established a standard charge.

30 (2) The term includes, without limitation, the

1 following:

2 (i) Any supply or procedure.

3 (ii) Room and board.

4 (iii) The use of the facility or any item that is  
5 generally described as a facility fee.

6 (iv) The service of an employed physician or  
7 nonphysician practitioner that is generally reflected as  
8 a professional charge.

9 (v) Any other item or service for which a hospital  
10 has established a standard charge.

11 "Payer-specific negotiated charge." The charge that a  
12 hospital or hospital system has negotiated with a third-party  
13 payer for an item or service.

14 "Standard charge." As follows:

15 (1) The regular rate established by a hospital or  
16 hospital system for an item or service provided to a specific  
17 group of paying patients.

18 (2) The term includes the following:

19 (i) The gross charge.

20 (ii) The payer-specific negotiated charge.

21 (iii) The de-identified minimum negotiated charge.

22 (iv) The de-identified maximum negotiated charge.

23 (v) The discounted cash price.

24 "Third-party payer." An entity that is, by statute, contract  
25 or agreement, legally responsible for payment of a claim for a  
26 health care item or service.

27 Section 2. The act is amended by adding a chapter to read:

28 CHAPTER 8-C

29 ACQUISITION OF HEALTH CARE FACILITIES

30 Section 801-C. Definitions.

1 The following words and phrases when used in this chapter  
2 shall have the meanings given to them in this section unless the  
3 context clearly indicates otherwise:

4 "Acquisition." An acquisition by a person of an interest in  
5 a hospital or hospital system by purchase, sale, option, merger,  
6 lease, gift, joint venture, spin-off, split-off,  
7 recapitalization, exchange, conveyance, transfer or otherwise  
8 that results in any of the following:

9 (1) A change of ownership or control of 20% or more of  
10 the assets, operations or voting securities of the hospital  
11 or hospital system.

12 (2) The acquiring person holding or controlling 50% or  
13 more of the assets, operations or voting securities of the  
14 hospital or hospital system.

15 (3) The direct or indirect transfer of control,  
16 responsibility or governance of 20% or more of the assets,  
17 operations or voting securities of the hospital or hospital  
18 system. For purposes of this paragraph, a transfer includes  
19 any of the following:

20 (i) The substitution of a new corporate member that  
21 transfers the control of, responsibility for or  
22 governance of the hospital or hospital system.

23 (ii) The substitution of one or more members of the  
24 governing body or any arrangement, written or oral, that  
25 would transfer voting control of the members of the  
26 governing body.

27 (iii) Either of the following:

28 (A) The entry into a voting agreement covering,  
29 or the deposit into a voting trust regarding, that  
30 control, responsibility or governance.

1                   (B) The grant of a proxy regarding that control,  
2                   responsibility or governance.

3                   "Department." The Department of Health of the Commonwealth.

4                   "Health care services." Medical, surgical, chiropractic,  
5 hospital, optometric, podiatric, pharmaceutical, ambulance,  
6 mental health, substance use disorder, therapeutic,  
7 preventative, diagnostic, curative, rehabilitative, palliative,  
8 custodial and any other services relating to the prevention,  
9 cure or treatment of illness, injury or disease.

10                  "Hospital system." Any of the following:

11                  (1) A parent corporation of one or more hospitals and  
12 any entity affiliated with the parent corporation through  
13 ownership or control.

14                  (2) A hospital and any entity affiliated with the  
15 hospital through ownership.

16                  "Merger." A consolidation of two or more organizations,  
17 including two or more organizations joining through a common  
18 parent organization or two or more organizations forming a new  
19 organization.

20                  Section 802-C. Acquisition of health care facilities.

21                  (a) Requirement.--A person may not engage in the acquisition  
22 of a hospital or hospital system without first having applied  
23 for and received the approval of the department under this  
24 chapter.

25                  (b) Contents of application.--An application under  
26 subsection (a) shall be submitted to the department and shall  
27 include the following information:

28                  (1) The name of the hospital or hospital system being  
29 acquired and the name of the acquiring person or other  
30 parties to the acquisition.

1           (2) The acquisition price.  
2           (3) A full description of the acquisition agreement.  
3           (4) A copy of the acquisition agreement.

4           (5) A statement from the hospital or hospital system's  
5 board of directors that explains the effect that the  
6 acquisition will likely have on delivery and cost of health-  
7 related services to the community served by each facility  
8 involved in the acquisition, along with the basis for this  
9 opinion. The statement shall also describe all dissenting  
10 viewpoints of which the board of directors is aware.

11           (6) If applicable, a copy of the two most recent  
12 community needs assessments or any similar evaluations or  
13 assessments prepared by or for the hospital or hospital  
14 system that is the subject of the acquisition, and the  
15 identity of all persons who assisted or contributed to the  
16 evaluations or assessments.

17           (7) A description of all charity care provided in the  
18 last three years and the projected charity care for three  
19 years following the acquisition by each health facility that  
20 is the subject of the acquisition agreement. The description  
21 shall include:

22                   (i) Annual total charity care spending.

23                   (ii) Inpatient, outpatient and emergency room  
24 charity care spending.

25                   (iii) A description of how the amount of charity  
26 care spending was calculated.

27                   (iv) Annual charity care inpatient discharges,  
28 outpatient visits and emergency visits.

29                   (v) A description of the types of charity care  
30 services provided annually.

1           (vi) A description of the policies, procedures and  
2           eligibility requirements for the provision of charity  
3           care.

4           (8) A description of the health care services currently  
5           provided at each facility that is the subject of the  
6           acquisition.

7           (9) A description of all services provided by each  
8           health care facility that is the subject of the acquisition  
9           in the past five years to medical assistance patients,  
10           qualified health plan patients and indigent patients. The  
11           description shall include, at a minimum, the following:

12           (i) The type and volume of services provided.

13           (ii) The payors for the services provided.

14           (iii) The demographic characteristics of and zip  
15           code data for the patients served by the hospital or  
16           hospital system.

17           (iv) The costs and revenues for the services  
18           provided.

19           (10) The following current policies for any hospital  
20           that is the subject of the acquisition:

21           (i) Admission policies.

22           (ii) Nondiscrimination policies.

23           (iii) End-of-life policies.

24           (iv) Reproductive health policies.

25           (v) Other policies or information as appropriate.

26           (11) The following post-acquisition policies for any  
27           hospital that is the subject of the acquisition:

28           (i) Admission policies.

29           (ii) Nondiscrimination policies.

30           (iii) End-of-life policies.

1           (iv) Reproductive health policies.

2           (v) Other policies or information as appropriate.

3           (12) If the acquisition will have any impact on  
4 reproductive health care services provided by any health care  
5 facility that is the subject of the acquisition, or any  
6 impact on the availability or accessibility of reproductive  
7 health care services, a description of all reproductive  
8 health care services provided in the last five years by each  
9 health care facility that is the subject of the acquisition.  
10 The description shall include the types and levels of  
11 reproductive services, including:

12           (i) Information about contraception provision.

13           (ii) The number of pregnancy terminations, tubal  
14 ligations and in-vitro fertilization procedures provided.

15           (iii) A description of how the information under  
16 this paragraph was compiled.

17           (13) If the acquisition will have any impact on end-of-  
18 life health care services provided by any health care  
19 facility that is the subject of the acquisition, or any  
20 impact on the availability or accessibility of end-of-life  
21 health care services, a description of all end-of-life health  
22 care services provided in the last five years by each health  
23 care facility that is the subject of the acquisition. The  
24 description shall include the types and levels of end-of-life  
25 services provided and a description of how this information  
26 was compiled.

27           (14) If the acquisition will have any impact on gender  
28 affirming health care services, provided by any health care  
29 facility that is the subject of the acquisition, or any  
30 impact on the availability or accessibility of gender

1 affirming health care services, a description of all gender  
2 affirming health care services provided in the last five  
3 years by each health care facility that is the subject of the  
4 acquisition. The description shall include the types and  
5 levels of gender affirming health care provided, including  
6 information about the number of gender affirming surgical  
7 procedures provided and a description of how this information  
8 was compiled.

9 (15) A description of any community benefit program  
10 provided by the hospital or hospital system during the past  
11 five years with an annual cost of at least \$10,000 and the  
12 annual cost of each program for the past five years.

13 (16) As follows:

14 (i) For each hospital or hospital system that is the  
15 subject of the acquisition, a description of the  
16 following:

17 (A) The current policies and procedures on  
18 staffing for patient care areas.

19 (B) Employee input on health quality and  
20 staffing issues.

21 (C) Employee wages, salaries, benefits, working  
22 conditions and employment protections.

23 (ii) The description under subparagraph (i) shall  
24 include a list of all:

25 (A) Existing staffing plans.

26 (B) Policy and procedure manuals.

27 (C) Employee handbooks.

28 (D) Collective bargaining agreements.

29 (E) Similar employment-related documents.

30 (17) For each hospital or hospital system that is the

1 subject of the acquisition, all existing documents specifying  
2 any guarantees made by an entity that would be taking over  
3 operation or control of the hospital or hospital system  
4 relating to employee job security and retraining, or the  
5 continuation of current staffing levels and policies,  
6 employee wages, salaries, benefits, working conditions and  
7 employment protections.

8 (18) For each hospital or hospital system that is the  
9 subject of the acquisition, a statement as to whether,  
10 following the acquisition, nonstance will be maintained  
11 through all communications and usage of funds regarding  
12 nonunion employees forming a union.

13 (19) For each hospital or hospital system that is the  
14 subject of the acquisition, a statement as to whether any  
15 successor of the employer or union will be bound to any  
16 existing union certification and any existing collective  
17 bargaining agreement.

18 (20) For each hospital or hospital system that is the  
19 subject of the acquisition, a description of current debt  
20 collection practices and a description of any anticipated  
21 changes to debt collection practices following the  
22 acquisition.

23 (21) A description of any anticipated postacquisition  
24 changes in services at any health care facility that is the  
25 subject of the acquisition. If anticipated changes include a  
26 reduction, relocation or elimination of a service, the  
27 following information shall be included:

28 (i) The need that the population presently has for  
29 the service.

30 (ii) How the need will be adequately met by the

1 proposed change.

2 (iii) Alternative arrangements designed to meet the  
3 identified need.

4 (22) A detailed statement and all documents relating to  
5 the parties' plans for assuring the continuance of existing  
6 hospital privileges following the acquisition.

7 (23) A detailed statement and all documents relating to  
8 the parties' plans for ensuring the maintenance of  
9 appropriate health science research and health care provider  
10 education following the acquisition.

11 (24) A detailed statement and all documents relating to  
12 the parties' plans for ensuring safeguards to avoid conflict  
13 of interest in postacquisition patient referral.

14 (25) A detailed statement and all documents relating to  
15 the parties' commitment and plans to provide health care to  
16 the disadvantaged, the uninsured and the underinsured and how  
17 benefits to promote improved health in the affected community  
18 will be provided following the acquisition.

19 (26) A description of each measure proposed by the  
20 applicant to mitigate or eliminate any potential adverse  
21 effect on the availability or accessibility of health care  
22 services to the affected community that may result from the  
23 acquisition.

24 (27) A list of the primary languages spoken at the  
25 hospital or hospital system and the threshold languages for  
26 medical assistance health beneficiaries, as determined by the  
27 department for the county in which any health care facility  
28 that is the subject of the acquisition is located.

29 (28) For each hospital or hospital system that is the  
30 subject of the acquisition or otherwise involved in the

1 acquisition, a financial and economic analysis and report  
2 from an independent expert or consultant that includes a  
3 description of current costs and competition in the relevant  
4 geographic and product market and any anticipated changes in  
5 the costs and competition as a result of the acquisition.

6 (29) Any other information deemed necessary by the  
7 department.

8 (c) Public records.--An application and all related  
9 documents shall be deemed public records and accessible for  
10 inspection and duplication in accordance with the act of  
11 February 14, 2008 (P.L.6, No.3), known as the Right-to-Know Law.

12 (d) Fee.--The department shall charge an applicant fee  
13 sufficient to cover the costs of implementing this chapter.

14 (e) Multiple acquisitions.--If a hospital or hospital system  
15 has engaged in multiple acquisitions, in a manner designed to  
16 avoid review by the department and Attorney General under this  
17 chapter, all related agreements or transactions shall be  
18 considered and analyzed as a single acquisition for purposes of  
19 this chapter.

20 Section 803-C. Completed applications.

21 (a) Completeness.--The department shall determine if an  
22 application in accordance with section 802-C is complete for the  
23 purposes of review. If the department determines that an  
24 application is incomplete, it shall notify the applicant within  
25 30 business days after the date the application was received  
26 stating the reasons for its determination of incompleteness.

27 (b) Receipt.--A completed application shall be deemed  
28 received on the date when all the information required by  
29 section 802-C has been submitted to the department.

30 (c) Notice.--

1           (1) Within five business days after receipt of a  
2 completed application, the department shall:

3           (i) Publish notice of the application:

4                   (A) On the publicly accessible Internet website  
5 of the department.

6                   (B) In a newspaper of general circulation in the  
7 county or counties where the hospital or hospital  
8 system has health care facilities that are the  
9 subject of the acquisition.

10           (ii) Notify, by first-class United States mail,  
11 email or facsimile transmission, any person who has  
12 requested notice of the filing of the application.

13           (2) The notice shall:

14                   (i) State that the application has been received.

15                   (ii) State the names of the parties to the  
16 agreement.

17                   (iii) Describe the contents of the application.

18                   (iv) State the date and process by which a person  
19 may submit written comments about the application to the  
20 department.

21 Section 804-C. Public hearings.

22           (a) Hearing requirements.--During the course of review under  
23 this chapter, the department shall conduct one or more public  
24 hearings, at least one of which shall be in a county where the  
25 hospital or hospital system to be acquired is located. The  
26 following apply:

27                   (1) At the hearings, anyone may file written comments  
28 and exhibits or appear and make a statement.

29                   (2) The department may subpoena additional information  
30 or witnesses, require and administer oaths, require sworn

1 statements, take depositions and use related discovery  
2 procedures for purposes of the hearing and at any time prior  
3 to making a decision on the application.

4 (b) Timing.--A public hearing under this section shall be  
5 held no later than 45 days after receipt of a completed  
6 application, unless the department determines that a new health  
7 care impact statement is required in accordance with section  
8 805-C, in which case a public hearing shall be held no later  
9 than 30 days after the health care impact statement is  
10 completed.

11 (c) Notice.--

12 (1) At least 30 days prior to the public hearing, the  
13 department shall provide notice of the time and place of the  
14 hearing on its publicly accessible Internet website and to  
15 any person who has requested notice in writing, unless a new  
16 health care impact statement is required in accordance with  
17 section 805-C, in which case the department shall provide at  
18 least 15 days notice of the public hearing.

19 (2) At least 30 days prior to the public hearing, the  
20 following apply, unless a new health care impact statement is  
21 required in accordance with section 805-C, in which case the  
22 parties shall provide at least 15 days notice:

23 (i) The parties to the acquisition agreement shall  
24 provide notice of the time and place of the hearing:

25 (A) Through publication in a newspaper of  
26 general circulation in the affected communities.

27 (B) At the public entrance and on the bulletin  
28 boards designated for legal or public notices of any  
29 health care facility that is affected by the  
30 acquisition.

1           (C) Prominently on the website available to the  
2           public of any health care facility that is affected  
3           by the acquisition.

4           (D) Prominently on the website available to the  
5           employees of any health care facility that is  
6           affected by the acquisition.

7           (ii) (Reserved).

8           (3) Each notice under this subsection shall be provided  
9           in English and in the languages spoken in the county or  
10           counties in which the health care facilities are located or  
11           provide care.

12           (d) Summary report.--Within 15 business days of the last  
13           public hearing, the department shall compile a summary report of  
14           each public hearing proceeding and post the summary report on  
15           its publicly accessible Internet website. The department shall  
16           also provide a copy of the summary report to the Attorney  
17           General.

18           (e) Changes.--If after the initial public hearing there is  
19           any change in the terms of the acquisition that materially  
20           alters any of the information that the parties to the  
21           acquisition provided under section 802-C(b), the department  
22           shall conduct an additional public hearing to ensure adequate  
23           public comment regarding the proposed change.

24           Section 805-C. Health care impact statements.

25           (a) Authorization.--The department shall engage an  
26           independent contractor to prepare an independent health care  
27           impact statement for any acquisition that satisfies any of the  
28           following conditions:

29           (1) The acquisition directly affects a hospital that is  
30           licensed under Chapter 8 and has more than 50 acute care

1 beds.

2 (2) There is a reasonable basis to conclude that the  
3 acquisition may significantly reduce the availability or  
4 accessibility or cost of any existing health care service.

5 (b) Construction.--Nothing in this section shall preclude  
6 the department from obtaining an independent health care impact  
7 statement or any other report that is not required under this  
8 section.

9 (c) Contents.--An independent health care impact statement  
10 shall contain the following information:

11 (1) An assessment of the effect of the acquisition on  
12 emergency services, reproductive health care services, end-  
13 of-life health care services, gender affirming health care  
14 services and any other health care services that the hospital  
15 or hospital system is providing.

16 (2) An assessment of the effect of the acquisition on  
17 the level and type of charity care that the hospital or  
18 hospital system has historically provided.

19 (3) An assessment of the effect of the acquisition on  
20 the provision of health care services to medical assistance  
21 patients, patients with disabilities, women, racial and  
22 ethnic minorities, lesbian, gay, bisexual, transgender and  
23 queer patients and other underserved or marginalized  
24 populations.

25 (4) An assessment of the effect of the acquisition on  
26 any community benefit program that the hospital or hospital  
27 system has historically funded or operated.

28 (5) An assessment of the effect of the acquisition on  
29 staffing for patient care areas as it may affect availability  
30 of care, on the likely retention of employees as it may

1 affect continuity of care and on the rights of employees to  
2 provide input on health quality and staffing issues.

3 (6) An assessment of the effect of the acquisition on  
4 the cost of patient care.

5 (7) An assessment of the effectiveness of any mitigation  
6 measure proposed by the applicant to reduce any potential  
7 adverse effect on health care services identified in the  
8 health care impact statement.

9 (8) A discussion of alternatives to the acquisition,  
10 including closure of the hospital or hospital system.

11 (9) Recommendations for additional feasible mitigation  
12 measures that would reduce or eliminate any significant  
13 adverse effect on health care services identified in the  
14 health care impact statement.

15 (d) Consideration.--The information contained in a health  
16 care impact statement shall be used in considering whether the  
17 acquisition may negatively impact the availability or  
18 accessibility of health care services as specified in section  
19 807-C.

20 (e) Copies.--A copy of a health care impact statement shall  
21 be made available to any individual or entity that has requested  
22 a copy.

23 Section 806-C. Duties of department.

24 (a) Determination.--The department shall review the  
25 completed application and, within 45 days of the last public  
26 hearing held under section 804-C, shall determine whether the  
27 acquisition meets the requirements for approval in section 807-  
28 C. At that point, the department shall:

29 (1) approve the acquisition, with or without any  
30 specific modifications or conditions; or

1           (2) disapprove the acquisition.

2           (b) Conditions.--

3           (1) Subject to paragraphs (2) and (3), the department  
4           may impose conditions on an acquisition to ensure that the  
5           requirements of section 807-C are met and that sufficient  
6           safeguards are in place to ensure that communities have  
7           continued or improved access to affordable quality care.

8           (2) The department may not make its decision subject to  
9           any condition not directly and rationally related to  
10          requirements in section 807-C.

11          (3) Any condition or modification shall bear a direct  
12          and rational relationship to the application under review.

13          (c) Disapproval.--If the department disapproves the  
14          acquisition, the disapproval shall constitute a final decision.

15          (d) Challenges.--A person engaged in an acquisition and  
16          affected by a final decision of the department or a person  
17          residing in a community affected by a final decision of the  
18          department has the right to an adjudicative proceeding to  
19          challenge the decision of the department. The adjudicative  
20          proceeding shall be governed by 2 Pa.C.S. (relating to  
21          administrative law and procedure).

22          (e) Extensions.--The department may extend, by not more than  
23          30 days, any deadline established under this chapter one time  
24          during consideration of any application, for good cause.

25          (f) Contracts and reimbursement.--The department may  
26          contract with and provide reasonable reimbursement to qualified  
27          persons to assist in determining whether the requirements of  
28          section 807-C have been met.

29          (g) Rules and regulations.--The department may adopt rules  
30          and regulations necessary to implement this chapter.

1 Section 807-C. Approval of acquisition.

2 The department:

3 (1) Shall only approve an application for an acquisition  
4 if the acquisition will not detrimentally affect the  
5 continued existence of accessible and affordable health care  
6 that is responsive to the needs of the communities in which  
7 the hospital or hospital system health facilities are  
8 located.

9 (2) May not approve an application unless, at a minimum,  
10 the department determines that:

11 (i) After the acquisition, the affected community  
12 will have the same or greater access to quality,  
13 affordable care, including reproductive, end-of-life and  
14 gender affirming health care services, and that, if the  
15 health care facilities that are the subject of the  
16 acquisition will not provide these services, there are  
17 alternative sources of quality affordable care in the  
18 community that will ensure that the community has the  
19 same or greater access to these services.

20 (ii) The acquisition will not result in the  
21 revocation of hospital privileges.

22 (iii) Sufficient safeguards are included to maintain  
23 appropriate capacity for health science research and  
24 health care provider education.

25 (iv) The acquiring person and parties to the  
26 acquisition are committed to providing health care to the  
27 disadvantaged, the uninsured and the underinsured and to  
28 providing benefits to promote improved health in the  
29 affected community.

30 (v) Sufficient safeguards are included to avoid

1 conflict of interest in patient referral.

2 Section 808-C. Duty of Secretary of the Commonwealth.

3 The Secretary of the Commonwealth may not accept any forms or  
4 documents in connection with any acquisition of a hospital or  
5 hospital system until the acquisition has been approved by the  
6 department under this chapter.

7 Section 809-C. Reports.

8 (a) Compliance.--The department shall monitor ongoing  
9 compliance with the terms and conditions of the acquisition for  
10 at least 10 years from when the acquisition agreement is  
11 finalized. The following apply:

12 (1) The department shall require periodic reports from  
13 the parties to the acquisition or any successor persons to  
14 ensure compliance with commitments made. The department shall  
15 determine the frequency of the periodic reports, but the  
16 periodic reports shall be made at least annually.

17 (2) The department may subpoena information and  
18 documents and may conduct on-site compliance audits at the  
19 acquiring person's expense.

20 (b) Experts and consultants.--To effectively monitor ongoing  
21 compliance with the terms and conditions of the acquisition, the  
22 department may, in its discretion, contract with experts and  
23 consultants. Contract costs may not exceed an amount that is  
24 reasonable and necessary to conduct the review and evaluation.

25 (c) Reimbursement.--The department shall be entitled to  
26 reimbursement from the acquiring person for all actual and  
27 direct costs incurred in monitoring ongoing compliance with the  
28 terms and conditions of the acquisition, including contract and  
29 administrative costs. The following apply:

30 (1) The department may bill the acquiring person or any

1 successor for the costs incurred.

2 (2) The acquiring person or successor billed by the  
3 department under paragraph (1) shall promptly pay for the  
4 costs incurred.

5 (3) If the acquiring person or successor fails to pay  
6 the costs incurred within 30 days, the department may assess  
7 a civil fine.

8 (d) Hearing.--If the department has reason to believe or  
9 receives information indicating that the acquiring person or  
10 successor is not fulfilling commitments to the affected  
11 community under section 807-C, including the acquiring person or  
12 successor not complying with any conditions imposed by the  
13 department under section 806-C, the department shall hold a  
14 hearing upon 10 days' notice to the affected parties. The  
15 following apply:

16 (1) The cost of the hearing and any onsite reviews  
17 related to determining the validity of the information shall  
18 be borne by the acquiring person or successor.

19 (2) If after the hearing the department determines that  
20 the acquiring person or successor is not fulfilling its  
21 commitments to the affected community under section 807-C,  
22 the department may:

23 (i) Revoke or suspend the license issued to the  
24 acquiring person or successor or impose civil fines until  
25 the acquiring person or successor submits or begins to  
26 follow a corrective plan of action.

27 (ii) Refer the matter to the Attorney General for  
28 appropriate action. The Attorney General may seek a court  
29 order compelling the acquiring person to fulfill its  
30 commitments under section 807-C.

1 Section 810-C. Duties of Attorney General.

2 (a) Duties.--The Attorney General may:

3 (1) Ensure compliance with commitments that inure to the  
4 public interest.

5 (2) Take legal action to enforce this chapter and any  
6 conditions that the department imposes on the approval of the  
7 acquisition.

8 (3) Obtain damages, injunctive relief, attorney fees and  
9 other relief as the court deems necessary to ensure  
10 compliance with this chapter.

11 (4) Seek an injunction to prevent any acquisition not  
12 approved by the department under this chapter.

13 (b) Construction.--No provision of this chapter shall  
14 derogate from any authority granted to the Attorney General  
15 under law.

16 Section 811-C. Study.

17 The department shall conduct a study on the impact that  
18 provider organization acquisitions have on access to affordable  
19 quality health care services throughout the communities of this  
20 Commonwealth. The following apply:

21 (1) The study shall address health care services  
22 generally and specifically address access to reproductive,  
23 end-of-life and gender affirming health care services.

24 (2) For purposes of the study, the department shall  
25 consult with health care providers, health care advocates and  
26 community members to determine both the scope of the study  
27 and what constitutes a provider organization, but a provider  
28 organization shall not include a hospital or hospital system  
29 as defined under this chapter.

30 Section 812-C. Review.

1       If a hospital or hospital system is subject to a review by  
2 the department, the review shall be concurrent with the review  
3 under this chapter, to the extent practicable.

4       Section 3. This act shall take effect January 1, 2024, or  
5 immediately, whichever is later.