

6808

Sponsor(s): Senator Prentice; by request of Insurance Commissioner

Brief Description: Restricting the conversion of health care service contractors and health maintenance organizations from nonprofit or not-for-profit corporate to for-profit corporate status.

SB 6808 - DIGEST

Finds that, because of their public purpose, nonprofit or not-for-profit entities operating as health care service contractors have enjoyed certain benefits in the nature of reduced taxes. Those entities have accomplished accumulations of surplus because of their reduced tax burden. Those entities have enjoyed a competitive advantage because of the reduced tax burden.

Declares that any competitive advantage or surplus accumulation attributable, even in part, to nonprofit or not-for-profit status should not be freely transferred to any entity.