

ESB 5241 - H AMD TO APP COMM AMD (H-3433.2/24) **1256**

By Representative Simmons

NOT CONSIDERED 03/07/2024

1 On page 4, line 34 of the striking amendment, after "management"
2 insert "for humans"

3
4 On page 5, line 16 of the striking amendment, after "transaction"
5 insert ". For the purposes of this chapter, parties to a material
6 change transaction include, but are not limited to: the contracting
7 parties; all entities that own, manage, or control the contracting
8 parties; and all entities that are members of a joint venture,
9 partnership, company, or similar corporate entity of which a
10 contracting party to the transaction is also a member"

11
12 On page 5, line 31 of the striking amendment, after "services"
13 insert "for humans"

14
15 On page 5, line 33 of the striking amendment, after "services"
16 insert "for humans"

17
18 On page 6, after line 12 of the striking amendment, insert the
19 following:

20 "(5) For purposes of subsection (2) of this section, a material
21 change transaction does not include any transaction in which a
22 participant is:

23 (a) An Indian health care provider as that term is defined by RCW
24 43.71B.010, unless the transaction would result in the participant no
25 longer qualifying as an Indian health care provider; or

26 (b) A federally qualified health center as that term is defined by
27 42 U.S.C. Sec. 1395x, unless the transaction would result in the

1 participant no longer qualifying as a federally qualified health
2 center."

3
4 Renumber the remaining subsections consecutively and correct any
5 internal references accordingly.

6
7 On page 6, beginning on line 28 of the striking amendment, after
8 "emergency review" strike all material through "review" on line 33 and
9 insert ". If the material change transaction is accepted for emergency
10 review, parties may submit notice less than 120 days before the
11 effective date of a transaction. For transactions that qualify for
12 emergency review the attorney general must expedite the preliminary
13 and comprehensive reviews pursuant to sections 10 and 11 of this act
14 to ensure any comprehensive review is completed within 90 days"

15
16 On page 6, beginning on line 36 of the striking amendment, after
17 "(1)" strike all material through "transaction" on page 7, line 11 and
18 insert "~~((The written notice provided by the parties, as required by~~
19 ~~RCW 19.390.030, must include:~~

20 ~~(a) The names of the parties and their current business addresses;~~

21 ~~(b) Identification of all locations where health care services are~~
22 ~~currently provided by each party;~~

23 ~~(c) A brief description of the nature and purpose of the proposed~~
24 ~~material change; and~~

25 ~~(d) The anticipated effective date of the proposed material~~
26 ~~change)) (a) The written notice provided by the parties, as required~~
27 ~~by RCW 19.390.030, must include the information specified in (b) of~~
28 ~~this subsection for a material change transaction where:~~

29 ~~(i) No party to the transaction has generated \$50,000,000 or more~~
30 ~~in health care revenue in any of their preceding three fiscal years;~~

31 ~~(ii) All parties to the transaction have not collectively~~
32 ~~generated \$50,000,000 or more in health care revenue in any of the~~
33 ~~preceding three calendar years;~~

34

1 (iii) No party to the transaction currently provides, or at any
2 point in the prior three calendar years provided, reproductive health
3 care, gender affirming care, or end-of-life care, including services
4 provided in accordance with chapter 70.245 RCW; or

5 (iv) No party to the transaction has received notice from any
6 Washington state government entity or agency that the party or any of
7 its affiliates violated the requirements of RCW 48.43.072 or
8 48.43.073, also known as the reproductive parity act, in any of the
9 prior three calendar years.

10 (b) The written notice must include:

11 (i) The names of the parties and their current business addresses;

12 (ii) Identification of all locations where health care services
13 are currently provided by each party and its affiliates;

14 (iii) A brief description of the nature and purpose of the
15 proposed material change transaction; and

16 (iv) The anticipated effective date of the proposed material
17 change transaction"

18
19 On page 12, line 10 of the striking amendment, after "notice"
20 insert ", or within 90 days if the transaction qualified for emergency
21 review under RCW 19.390.030"

22

EFFECT: Specifies entities subject to the bill's requirements must provide health care for humans.

Provides parties to a material change transaction include, but are not limited to: the contracting parties; all entities that own, manage, or control the contracting parties; and all entities that are members of a joint venture, partnership, company, or similar corporate entity of which a contracting party to the transaction is also a member.

Provides transactions with Indian Health Care Providers and Federally Qualified Health Centers do not qualify as material change transactions under the bill, unless the transaction would result in such participants no longer qualifying as Indian Health Care Providers or Federally Qualified Health Centers.

Removes the requirement that the Attorney General, after receiving notice a party is seeking emergency review, notify the party whether the transaction is subject to preliminary review requiring documentation. Specifies that, if a transaction is accepted for emergency review, the parties may submit notice less than 120 days before the transaction. Specifies that, for transactions qualifying for emergency review, the Attorney General must: expedite preliminary and comprehensive review; complete any comprehensive review within 90 days; and approve, impose conditions or modifications on, or disapprove the transaction within 90 days.

Modifies the provision governing basic notice requirements, such that the parties qualify for basic notice if any of the following four conditions are met: (1) no party has generated \$50 million or more in health care revenue in any of its preceding three fiscal years; (2) all parties have not collectively generated \$50 million or more in health care revenue in any of the preceding three calendar years; (3) no party currently provides reproductive health care, gender affirming care, or end-of-life care, or provided such care in any of the preceding three calendar years; and (4) no party has received notice from the state that the party or an affiliate violated specified requirements of state law governing reproductive health care. Removes a provision allowing federally qualified health centers and rural health clinics to automatically qualify for basic notice requirements.

--- END ---