H-2950.3

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**HOUSE BILL 2170**

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**State of Washington 66th Legislature 2019 Regular Session**

**By** Representatives Jinkins, Caldier, Cody, and Macri

AN ACT Relating to notice of material changes to the operations or governance structure of participants in the health care marketplace; amending RCW 19.--.---, 19.--.---, and 19.--.---; and providing a contingent effective date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

**Sec.**  RCW 19.--.--- and 2019 c ... (SHB 1607) s 3 are each amended to read as follows:

(1) Not less than sixty days prior to the effective date of any transaction that results in a material change, the parties to the transaction shall submit written notice to the attorney general of such material change.

(2) For the purposes of this section, a material change includes a merger, acquisition, or contracting affiliation between two or more entities of the following types:

(a) Carriers;

(b) Hospitals;

((~~(b)~~)) (c) Hospital systems; or

((~~(c)~~)) (d) Provider organizations.

(3) A material change includes proposed changes identified in subsection (2) of this section between a Washington entity and an out-of-state entity where the out-of-state entity generates ten million dollars or more in health care services revenue from patients residing in Washington state, and the entities are of the types identified in subsection (2) of this section. Any party to a material change that is licensed or operating in Washington state shall submit a notice as required under this section.

(4) For purposes of subsection (2) of this section, a merger, acquisition, or contracting affiliation between two or more carriers, hospitals, hospital systems, or provider organizations only qualifies as a material change if the carriers, hospitals, hospital systems, or provider organizations did not previously have common ownership or a contracting affiliation.

**Sec.**  RCW 19.--.--- and 2019 c ... (SHB 1607) s 6 are each amended to read as follows:

Any ((~~provider~~)) carrier, hospital, hospital system, or provider organization conducting business in this state that files a premerger notification with the federal trade commission or the United States department of justice, in compliance with the Hart-Scott-Rodino antitrust improvements act, Title 15 U.S.C. Sec. 18a, shall provide a copy of such filing to the attorney general. Providing a copy of the Hart-Scott-Rodino filing to the attorney general satisfies the notice requirement under RCW 19.--.--- (section 4, chapter . . . (SHB 1607), Laws of 2019).

**Sec.**  RCW 19.--.--- and 2019 c ... (SHB) 1607) s 9 are each amended to read as follows:

The notice requirement in RCW 19.--.--- (section 3, chapter . . . (SHB 1607), Laws of 2019) applies to transactions with an anticipated effective date on or after January 1, ((~~2020~~)) 2021.

NEW SECTION. **Sec.**  This act takes effect if Substitute House Bill No. 1607 takes effect.

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