

2008 SESSION

INTRODUCED

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HOUSE BILL NO. 1037

Offered January 9, 2008

Prefiled January 8, 2008

A BILL to amend the Code of Virginia by adding a section numbered 32.1-127.4, relating to conversion of hospitals from nonprofit to for-profit.

Patron—Marshall, D.W.

Referred to Committee on Health, Welfare and Institutions

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 32.1-127.4 as follows:

§ 32.1-127.4. Certain hospital conversions.

A. The administrator or owner of any nonprofit hospital that is entering into a contract for sale of the hospital to a for-profit entity or planning to restructure to convert such nonprofit hospital to a for-profit hospital, at least six months prior to the execution of a contract for sale or the filing of the articles of incorporation as a for-profit corporation, shall hold a public hearing in the locality where the hospital is located and present the following: (i) any changes to be made in the staffing of the hospital and (ii) a business plan explaining how the sale or conversion will affect the community.

B. If, following the conversion of such nonprofit hospital, a private foundation is established in connection with the for-profit hospital, no previous member of the nonprofit hospital board of directors shall serve on such foundation's board of directors.

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