

SENATE AMENDMENTS TO A-ENGROSSED HOUSE BILL 3410

By COMMITTEE ON RULES

June 18

1 On page 2 of the printed A-engrossed bill, line 26, delete “or employee” and insert “, employee
2 or contractor”.

3 Delete lines 28 through 31 and insert:

4 “(A) Own or control individually, or in combination with the management services organization
5 or any other shareholder, director, member, manager, officer, employee or contractor of the man-
6 agement services organization, a majority of shares in a professional medical entity with which the
7 management services organization has a contract for management services, even if the other share-
8 holder, director, member, manager, officer, employee or contractor qualifies for an exemption under
9 subsection (3)(a) of this section;”.

10 On page 4, delete lines 36 through 45.

11 On page 5, delete lines 1 through 3 and insert:

12 “(d) A physician who serves as a director or officer of a management services organization with
13 which a professional medical entity has a contract for management services and who owns less than
14 25 percent of the ownership interest in, and is a director or officer of, the professional medical en-
15 tity if:

16 “(A) The professional medical entity owns less than 49 percent of the ownership interest that
17 has voting rights in the management services organization;

18 “(B) The physician does not receive compensation from the management services organization
19 for serving as a director or officer of the management services organization;

20 “(C) An action of the management services organization that materially affects the professional,
21 ownership or governance interests of minority owners in the management services organization re-
22 quires a vote of more than a majority of the shares of the management services organization that
23 are entitled to vote, including the shares held by professional medical entities with voting rights in
24 the management services organization;

25 “(D) The management services organization and all of the professional medical entities that have
26 voting rights in the management services organization were incorporated or organized, and entered
27 into agreements for the provision of medical services, before January 1, 2024; and

28 “(E) The physician, all of the professional medical entities with voting rights in the management
29 services organization and the actions of the management services organization complied with the
30 requirements set forth in subparagraphs (A) to (D) of this paragraph before, on and after January
31 1, 2024; or”.