

ASSEMBLY SUBSTITUTE FOR
ASSEMBLY, No. 2368

STATE OF NEW JERSEY

ADOPTED MAY 22, 1997

Sponsored by Assemblywoman VANDERVALK and
Assemblyman Cohen

1 AN ACT concerning nonprofit hospitals and health service
2 corporations and supplementing Title 15A of the New Jersey
3 Statutes and Titles 26 and 17 of the Revised Statutes.

4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

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8 1. This act shall be known and may be cited as the "Community
9 Health Care Assets Protection Act."

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11 2. In addition to the requirements of P.L.1971, c.136 (C.26:2H-1
12 et seq.) concerning certificate of need and licensure requirements, a
13 nonprofit hospital licensed pursuant to P.L.1971, c.136 (C.26:2H-1 et
14 seq.) shall apply to the Attorney General for approval prior to entering
15 into a transaction that results in the acquisition of the hospital by a
16 person or entity other than a corporation organized in this State for
17 charitable purposes under Title 15A of the New Jersey Statutes. The
18 proposed acquisition shall be subject to the written approval of the
19 Attorney General, in consultation with the Commissioner of Health
20 and Senior Services, pursuant to the provisions of this section.

21 For the purposes of sections 2 and 3 of this act, "acquisition"
22 means any acquisition by a person of an ownership or controlling
23 interest in a nonprofit hospital, whether by purchase, merger, lease,
24 joint venture, transfer, gift or otherwise.

25 a. Within five working days of submitting an application pursuant
26 to this section, the nonprofit hospital shall publish notice of the
27 proposed acquisition, in a form approved by the Attorney General, in
28 a newspaper of general circulation in the service area of the hospital
29 once per week for three weeks. The notice shall state the names of
30 the parties to the agreement, describe the contents of the application
31 to the Attorney General and state the date by which a person may
32 submit written comments about the application to the Attorney
33 General.

1 b. The Attorney General, in consultation with the Commissioner
2 of Health and Senior Services, shall review the application and
3 approve the proposed acquisition, with or without any specific
4 modifications, or, if he finds that it is not in the public interest,
5 disapprove the proposed acquisition.

6 The proposed acquisition shall not be considered to be in the public
7 interest unless the Attorney General determines that appropriate steps
8 have been taken to safeguard the value of the charitable assets of the
9 hospital and to ensure that any proceeds from the proposed acquisition
10 are irrevocably dedicated for appropriate charitable health care
11 purposes; and that the proposed transaction is not likely to result in
12 the deterioration of the quality, availability or accessibility of health
13 care services in the affected communities.

14 In determining whether the acquisition meets the criteria of this
15 subsection, the Attorney General shall consider:

16 (1) Whether the acquisition is permitted under the "New Jersey
17 Nonprofit Corporation Act," Title 15A of the New Jersey Statutes,
18 and other applicable State statutes governing nonprofit entities, trusts
19 or charities;

20 (2) Whether the nonprofit hospital exercised due diligence in
21 deciding to sell, selecting the purchaser and negotiating the terms and
22 conditions of the sale;

23 (3) The procedures used by the seller in making its decision,
24 including whether appropriate expert assistance was used;

25 (4) Whether conflict of interest was disclosed, including, but not
26 limited to, conflicts of interest related to board members of, executives
27 of and experts retained by the seller, purchaser or other parties to the
28 acquisition;

29 (5) Whether the seller will receive full and fair market value for its
30 assets. The Attorney General may employ, at the seller's expense,
31 reasonably necessary expert assistance in making this determination;

32 (6) Whether charitable funds are placed at unreasonable risk, if the
33 acquisition is financed in part by the seller;

34 (7) Whether any management contract under the acquisition is for
35 reasonable fair value;

36 (8) Whether the sale proceeds will be used for appropriate
37 charitable health care purposes consistent with the seller's original
38 purpose or for the support and promotion of health care in the affected
39 community and whether the proceeds will be controlled as charitable
40 funds independently of the purchaser or parties to the acquisition; and

41 (9) Whether a right of first refusal to repurchase the assets by a
42 successor nonprofit corporation or foundation if the hospital is
43 subsequently sold to, acquired by or merged with another entity has
44 been retained.

45 c. In his review of the proposed acquisition, the Attorney General
46 may assess the entity proposing to acquire the nonprofit hospital for

1 reasonable costs related to the review, as determined by the Attorney
2 General to be necessary. Reasonable costs may include expert review
3 of the acquisition and a process for educating the public about the
4 acquisition and obtaining public input.

5 d. The Attorney General and the Commissioner of Health and
6 Senior Services shall, during the course of the review pursuant to this
7 section, hold at least one public hearing in which any person may file
8 written comments and exhibits or appear and make a statement. The
9 Attorney General or the commissioner may subpoena additional
10 information or witnesses, including, but not limited to, information
11 about any transaction that is collateral to the proposed acquisition and
12 any related documents, require and administer oaths, require sworn
13 statements, take depositions and use related discovery procedures for
14 purposes of the hearing and at any time prior to completing the review
15 of the proposed acquisition.

16 The Attorney General shall make the information received pursuant
17 to this section, and the Department of Health and Senior Services shall
18 make any information in its records relating to the proposed
19 acquisition, available at no cost to the public.

20 The public hearing shall be held no later than 60 days after receipt
21 of an application from a nonprofit hospital that is deemed complete by
22 the Attorney General. Public notice of the hearing shall be provided
23 at least two weeks in advance of the date of the hearing.

24 e. The Attorney General shall make a determination as to the
25 amount of assets which the nonprofit hospital shall set aside as a
26 charitable obligation, based on the full and fair market value of the
27 hospital as determined by the Attorney General at the time of the
28 proposed acquisition.

29 f. The amount determined by the Attorney General to be set aside
30 as a charitable obligation shall be placed in a nonprofit charitable
31 trust, and the monies in that trust shall be expended for health-related
32 purposes in accordance with such requirements as shall be established
33 by the Attorney General, in consultation with the Commissioner of
34 Health and Senior Services. An appropriate portion of the charitable
35 obligation, if determined to be necessary by the Attorney General,
36 shall be used for assistance in the development of a community-based
37 plan for the use of the charitable trust.

38 (1) The governance of the charitable trust that results from the
39 acquisition shall be subject to review and approval by the Attorney
40 General, in consultation with the commissioner. The governance of
41 the charitable trust shall be broadly based in the community historically
42 served by the predecessor nonprofit hospital, and neither the trust nor
43 any officer, director or senior manager of the trust shall be affiliated
44 with the for-profit entity and no officer, director or senior manager of
45 the trust shall be or a fulltime employee of State government. No
46 officer, director or senior manager of the trust shall have been a

1 director, officer, agent, trustee or employee of the nonprofit hospital
2 during the three years immediately preceding the effective date of the
3 acquisition.

4 (2) The governing body of the charitable trust shall establish a
5 mechanism to avoid conflicts of interest and to prohibit grants that
6 benefit the board of directors and management of the for-profit entity.

7 (3) The governing body of the charitable trust shall provide the
8 Attorney General with an annual report of its grant-making and other
9 charitable activities related to its use of the charitable assets received
10 pursuant to this act. The annual report shall be made available to the
11 public at both the Attorney General's office and the office of the
12 charitable trust.

13 g. (1) The entity acquiring the nonprofit hospital, if determined to
14 be necessary by the Attorney General, in consultation with the
15 Commissioner of Health and Senior Services, shall provide funds, in
16 an amount determined by the Commissioner of Health and Senior
17 Services, for the hiring by the Department of Health and Senior
18 Services of an independent health care access monitor to monitor and
19 report quarterly to the Attorney General and the Department of Health
20 and Senior Services on community health care access by the entity,
21 including levels of uncompensated care for indigent persons provided
22 by the entity. The funding shall be provided for three years after the
23 date of the acquisition. The entity acquiring the hospital shall provide
24 the monitor with appropriate access to the entity's records in order to
25 enable the monitor to fulfill this function.

26 To prevent the duplication of any information already reported by
27 the entity, the monitor shall, to the extent possible, utilize data already
28 provided by the entity to the Department of Health and Senior
29 Services.

30 No personal identifiers shall be attached to any of the records
31 obtained by the monitor, and all such records shall be subject to the
32 privacy and confidentiality provisions of medical records provided by
33 law.

34 (2) Following the monitoring period, or in the event that no
35 monitoring period is established, if the Attorney General receives
36 information indicating that the for-profit entity is not fulfilling its
37 commitment to the affected service area pursuant to this act, the
38 Attorney General, or his designee, shall hold a public hearing upon 10
39 days notice to the affected parties. If, after the hearing, the Attorney
40 General determines that the information is true, he shall institute
41 proceedings to require a corrective action plan from the for-profit
42 entity. The Attorney General shall retain oversight of the for-profit's
43 obligations under the corrective action plan for as long as necessary to
44 ensure compliance with this act.

45 h. The trustees and senior managers of the nonprofit hospital are
46 prohibited from investing in the acquiring for-profit entity for a period

1 of three years following the acquisition.

2 i. No director, officer, agent, trustee or employee of the nonprofit
3 hospital shall benefit directly or indirectly from the acquisition,
4 including the receipt of any compensation directly related to the
5 proposed acquisition.

6 j. Any final action by the Attorney General pursuant to this act
7 shall be subject to judicial review by the Superior Court at the
8 initiation of the nonprofit hospital or any person that was a party to
9 the proceeding. Any person adversely affected by the final decision of
10 the Attorney General shall be considered a party to the proceeding,
11 including consumers or community groups representing the citizens of
12 the State.

13 k. The Attorney General, in consultation with the Commissioner
14 of Health and Senior Services, shall adopt regulations pursuant to the
15 "Administrative Procedure Act," P.L.1968, c.410, (C.52:14B-1 et
16 seq.) to carry out the purposes of this section.

17

18 3. Notwithstanding the provisions of any law to the contrary, the
19 Commissioner of Health and Senior Services shall not issue a
20 certificate of need or license to operate a hospital to the resulting
21 entity of an acquisition, unless:

22 a. There is a determination by the commissioner of the suitability
23 and responsibility of the prospective licensee, as determined by
24 regulations adopted by the commissioner. For the purposes of this
25 section, the determination of suitability and responsibility shall include,
26 but not be limited to, the following factors:

27 (1) The financial capacity of the prospective licensee to operate
28 the hospital in accordance with applicable laws;

29 (2) The history of the prospective licensee in providing acute care,
30 or other health care services as appropriate, including in states other
31 than New Jersey, if any, measured by compliance with the applicable
32 statutes and regulations governing the operation of hospitals in those
33 states;

34 (3) The participation of persons residing in the nonprofit entity's
35 primary service area in oversight of the resulting hospital; and

36 (4) Whether the acquisition will have a significant effect on the
37 quality, availability or accessibility of health care services in the
38 affected communities.

39 b. The applicant agrees to maintain or increase the percentage of
40 income from operations allocated to care for indigent persons, as
41 compared to the average of the annual percentage reported in the
42 previous three years by the predecessor nonprofit hospital; except that
43 the commissioner may permit the applicant to reduce the percentage
44 if the commissioner determines that demographic or other changes in
45 the hospital's service area justify a reduction in the percentage. The
46 commissioner shall, by regulation, provide for the enforcement of this

1 subsection and any agreement made by an applicant concerning care
2 for indigent persons; and

3 c. The applicant submits a plan, for approval by the commissioner,
4 for the provision of community benefits. In determining whether to
5 approve the plan, and not to the exclusion of other factors, the
6 commissioner may take into account the applicant's existing
7 commitment to primary and preventive health care services and
8 community contributions, as well as the primary and preventive health
9 care services and community contributions of the predecessor
10 nonprofit hospital. The commissioner may waive the plan requirement
11 of this subsection, in whole or in part, at the request of the applicant,
12 if the applicant demonstrates to the commissioner's satisfaction that its
13 service area will not be deprived of health care services as a result of
14 the acquisition.

15 d. The Commissioner of Health and Senior Services shall,
16 pursuant to the "Administrative Procedure Act," P.L.1968, c.410
17 (C.52:14B-1 et seq.), adopt regulations to carry out the purposes of
18 this section.

19

20 4. A health service corporation that intends to enter into a
21 transaction to transfer, restructure or convert its activities in
22 conjunction with for-profit activities shall apply to the Attorney
23 General for approval prior to entering into the transaction. The
24 proposed transaction shall be subject to the written approval of the
25 Attorney General, in consultation with the Commissioner of Banking
26 and Insurance, pursuant to the provisions of this section.

27 a. Within five working days of submitting an application pursuant
28 to this section, the health service corporation shall publish notice of
29 the proposed transaction, in a form approved by the Attorney General,
30 in a newspaper of general circulation in the State once per week for
31 three weeks. The notice shall state the names of the parties to the
32 agreement, describe the contents of the application to the Attorney
33 General and state the date by which a person may submit written
34 comments about the application to the Attorney General.

35 b. The Attorney General, in consultation with the Commissioner
36 of Banking and Insurance, shall review the application and approve the
37 proposed transaction, with or without any specific modifications, or,
38 if he finds that it is not in the public interest, disapprove the proposed
39 transaction.

40 The proposed transaction shall not be considered to be in the
41 public interest unless the Attorney General determines that appropriate
42 steps have been taken to safeguard the value of the charitable assets
43 of the health service corporation and to ensure that any proceeds from
44 the proposed transaction are irrevocably dedicated for appropriate
45 charitable health care purposes, and that the proposed transaction is
46 permitted under the "New Jersey Nonprofit Corporation Act," Title

1 15A of the New Jersey Statutes, and other applicable State statutes
2 governing nonprofit entities, trusts or charities.

3 c. In his review of the proposed transaction, the Attorney General
4 may assess the entity proposing to receive the business operations of
5 the health service corporation for reasonable costs related to the
6 review, as determined by the Attorney General to be necessary.
7 Reasonable costs may include expert review of the transaction and a
8 process for educating the public about the transaction and obtaining
9 public input.

10 d. The Attorney General and the Commissioner of Banking and
11 Insurance shall, during the course of the review pursuant to this
12 section, hold at least one public hearing in which any person may file
13 written comments and exhibits or appear and make a statement. The
14 Attorney General or the commissioner may subpoena additional
15 information or witnesses, including, but not limited to, information
16 about any transaction that is collateral to the proposed transaction and
17 any related documents, require and administer oaths, require sworn
18 statements, take depositions and use related discovery procedures for
19 purposes of the hearing and at any time prior to completing the review
20 of the proposed transaction.

21 The Attorney General shall make the information received pursuant
22 to this section, and the Department of Banking and Insurance shall
23 make any information in its records relating to the proposed
24 transaction, available at no cost to the public.

25 The public hearing shall be held no later than 60 days after receipt
26 of an application from a health service corporation that is deemed
27 complete by the Attorney General. Public notice of the hearing shall
28 be provided at least two weeks in advance of the date of the hearing.

29 e. The Attorney General shall make a determination as to the
30 amount of assets which the health service corporation shall set aside
31 as a charitable obligation, based on the full and fair market value of the
32 health service corporation as determined by the Attorney General at
33 the time of the proposed transaction.

34 f. The amount determined by the Attorney General to be set aside
35 as a charitable obligation shall be placed in a nonprofit charitable
36 trust, and the monies in that trust shall be expended for health-related
37 purposes in accordance with such requirements as shall be established
38 by the Attorney General, in consultation with the Commissioners of
39 Banking and Insurance and Health and Senior Services. An
40 appropriate portion of the charitable obligation, if determined to be
41 necessary by the Attorney General, shall be used for assistance in the
42 development of a community-based plan for the use of the charitable
43 trust.

44 (1) The governance of the charitable trust that results from the
45 transaction shall be subject to review and approval by the Attorney
46 General, in consultation with the Commissioner of Banking and

1 Insurance. The governance of the charitable trust shall be broadly
2 based, and neither the trust nor any officer, director or senior manager
3 of the trust shall be affiliated with the for-profit entity and no officer,
4 director or senior manager of the trust shall be or a fulltime employee
5 of State government. No officer, director or senior manager of the
6 trust shall have been a director, officer, agent, trustee or employee of
7 the health service corporation during the three years immediately
8 preceding the effective date of the transaction.

9 (2) The governing body of the charitable trust shall establish a
10 mechanism to avoid conflicts of interest and to prohibit grants that
11 benefit the board of directors and management of the for-profit entity.

12 (3) The governing body of the charitable trust shall provide the
13 Attorney General with an annual report of its grant-making and other
14 charitable activities related to its use of the charitable assets received
15 pursuant to this act. The annual report shall be made available to the
16 public at both the Attorney General's office and the office of the
17 charitable trust.

18 g. The trustees and senior managers of the health service
19 corporation are prohibited from investing in the acquiring for-profit
20 entity for a period of three years following the transaction.

21 h. No director, officer, agent, trustee or employee of the health
22 service corporation shall benefit directly or indirectly from the
23 transaction, including the receipt of any compensation directly related
24 to the proposed transaction.

25 i. Any final action by the Attorney General pursuant to this act
26 shall be subject to judicial review by the Superior Court at the
27 initiation of the health service corporation or any person that was a
28 party to the proceeding. Any person adversely affected by the final
29 decision of the Attorney General shall be considered a party to the
30 proceeding, including consumers or community groups representing
31 the citizens of the State.

32 j. The Attorney General, in consultation with the Commissioner
33 of Banking and Insurance, shall adopt regulations pursuant to the
34 "Administrative Procedure Act," P.L.1968, c.410, (C.52:14B-1 et
35 seq.) to carry out the purposes of this section.

36
37 5. Notwithstanding any provisions of P.L.1995, c.196 (C.17:48E-
38 45 et seq.) to the contrary, a health service corporation which converts
39 to a domestic mutual insurer shall retain charitable trust obligations to
40 preserve its assets for charitable purposes. This obligation shall be
41 paid at such time as the domestic mutual insurer enters into a
42 transaction with a for-profit corporation or otherwise generates
43 sufficient funds to fulfill its charitable trust obligation, whichever
44 occurs first. The fair market value of the health service corporation
45 on the date of conversion to a domestic mutual insurer, augmented by
46 any increase in the value of the domestic mutual insurer attributable to

1 the use of the charitable trust assets or to its prior status as a health
2 service corporation, shall be the basis for the valuation of the trust
3 obligation, as determined by the Attorney General.

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5 6. Nothing in this act shall be construed to limit the existing
6 authority of the Attorney General, the Commissioner of Banking and
7 Insurance, the Commissioner of Health and Senior Services or any
8 other government official or entity or the court to review, approve or
9 disapprove conditions related to an acquisition, transaction or
10 disposition under current law.

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12 7. This act shall take effect immediately.

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15 STATEMENT

16
17 This substitute, the "Community Health Care Assets Protection
18 Act," provides for State oversight of the acquisition of a nonprofit
19 hospital by a for-profit entity or the conversion of a health service
20 corporation to for-profit activities.

21 The substitute requires a nonprofit hospital to apply to the
22 Attorney General for approval prior to entering into a transaction that
23 results in the acquisition of the hospital by a person or entity other
24 than a corporation organized in this State for charitable purposes
25 under Title 15A of the New Jersey Statutes. The substitute defines
26 "acquisition" to mean any acquisition by a person of an ownership or
27 controlling interest in a nonprofit hospital, whether by purchase,
28 merger, lease, joint venture, transfer, gift or otherwise.

29 Similarly, the substitute requires a health service corporation to
30 apply to the Attorney General for approval prior to entering into a
31 transaction to transfer, restructure or convert its activities in
32 conjunction with for-profit activities.

33 The proposed acquisition or transaction shall be subject to the
34 written approval of the Attorney General, in consultation with the
35 Commissioner of Health and Senior Services in the case of a hospital
36 and the Commissioner of Banking and Insurance in the case of a health
37 service corporation.

38 Within five working days after receipt of an application, the
39 Attorney General shall require the nonprofit hospital or health service
40 corporation to publish notice of the proposed acquisition or
41 transaction in a newspaper of general circulation in the service area of
42 the hospital or in the State, as applicable, once per week for three
43 weeks. The Attorney General, in consultation with the Commissioner
44 of Health and Senior Services or Commissioner of Banking and
45 Insurance, as applicable, shall review the application and approve the
46 proposed acquisition or transaction, with or without any specific

1 modifications, or, if he finds that it is not in the public interest,
2 disapprove the proposed acquisition or transaction.

3 The proposed hospital acquisition shall not be considered to be in
4 the public interest unless the Attorney General determines that
5 appropriate steps have been taken to safeguard the value of the
6 charitable assets of the hospital and to ensure that any proceeds from
7 the proposed acquisition are irrevocably dedicated for appropriate
8 charitable health care purposes; and that the proposed transaction is
9 not likely to result in the deterioration of the quality, availability or
10 accessibility of health care services in the affected communities. The
11 substitute sets forth specific criteria the Attorney General shall
12 consider in reviewing the application.

13 With respect to a health service corporation, the proposed
14 transaction shall not be considered to be in the public interest unless
15 the Attorney General determines that appropriate steps have been
16 taken to safeguard the value of the charitable assets of the health
17 service corporation and to ensure that any proceeds from the proposed
18 transaction are irrevocably dedicated for appropriate charitable health
19 care purposes.

20 The substitute authorizes the Attorney General to assess the entity
21 proposing to acquire the nonprofit hospital or receive the business
22 operations of the health service corporation for reasonable costs
23 related to the review. The Attorney General and the Commissioner of
24 Health and Senior Services or Banking and Insurance, as appropriate,
25 are required, during the course of the review, to hold at least one
26 public hearing in which any person may file written comments and
27 exhibits or appear and make a statement. The Attorney General or the
28 commissioners may subpoena additional information or witnesses,
29 require and administer oaths, require sworn statements, take
30 depositions and use related discovery procedures for purposes of the
31 hearing and at any time prior to completing the review of the proposed
32 acquisition.

33 The Attorney General shall make the information received, and the
34 departments shall make any information in their records relating to the
35 proposed acquisition or transaction, available at no cost to the public.

36 The substitute directs the Attorney General to make a
37 determination as to the amount of assets which the nonprofit hospital
38 or health service corporation shall set aside as a charitable obligation,
39 based on the full and fair market value of the hospital or corporation
40 as determined by the Attorney General at the time of the proposed
41 acquisition or transaction. The amount determined by the Attorney
42 General to be set aside as a charitable obligation shall be placed in a
43 nonprofit charitable trust, and the monies in that trust shall be
44 expended for health-related purposes in accordance with such
45 requirements as shall be established by the Attorney General, in
46 consultation with the Commissioners of Health and Senior Services

1 and Banking and Insurance.

2 The governance of the charitable trust shall be subject to review
3 and approval by the Attorney General, in consultation with the
4 commissioners and subject to strict conflict of interest requirements to
5 ensure that employees of the trust, former hospital or health service
6 corporation employees and others involved in the acquisition or
7 transaction do not benefit financially from the acquisition or
8 transaction. The governing body of the charitable trust shall provide
9 the Attorney General with an annual report of its grant-making and
10 other charitable activities related to its use of the charitable assets.
11 The annual report shall be made available to the public at both the
12 Attorney General's office and the office of the charitable trust.

13 The substitute provides, in the case of a hospital, that if the
14 Attorney General receives information indicating that the for-profit
15 entity is not fulfilling its commitment to the affected service area
16 pursuant to this act, the Attorney General, or his designee, shall hold
17 a public hearing upon 10 days notice to the affected parties. If, after
18 the hearing, the Attorney General determines that the information is
19 true, he shall institute proceedings to require a corrective action plan
20 from the for-profit entity. The Attorney General shall retain oversight
21 of the for-profit's obligations under the corrective action plan for as
22 long as necessary to ensure compliance.

23 The substitute also provides that the Commissioner of Health and
24 Senior Services shall not issue a certificate of need or license to
25 operate a hospital to the resulting entity of an acquisition, unless:

26 a. there is a determination by the commissioner of the suitability
27 and responsibility of the prospective licensee, as determined by
28 regulations adopted by the commissioner;

29 b. the applicant agrees to maintain or increase the percentage of
30 income from operations allocated to care for indigent persons, as
31 compared to the average of the annual percentage reported in the
32 previous three years by the predecessor nonprofit hospital; and

33 c. the applicant submits a plan, for approval by the commissioner,
34 for the provision of community benefits.

35 With respect to a health service corporation, the substitute
36 provides that notwithstanding the provisions of N.J.S.A.17:48E-45 et
37 seq. to the contrary (governing the conversion of a health service
38 corporation to a domestic mutual insurer), a health service corporation
39 which converts to a domestic mutual insurer shall retain charitable
40 trust obligations to preserve its assets for charitable purposes. This
41 obligation shall be paid at such time as the mutual insurer enters into
42 a transaction with a for-profit corporation or otherwise generates
43 sufficient funds to fulfill its charitable trust obligation, whichever
44 occurs first. The fair market value of the health service corporation
45 on the date of conversion to a mutual insurer, augmented by any
46 increase in the value of the mutual insurer attributable to the use of the

1 charitable trust assets or to its prior status as a health service
2 corporation, shall be the basis for the valuation of the trust obligation,
3 as determined by the Attorney General.

4 Finally, the substitute provides that its provisions shall not be
5 construed to limit the existing authority of the Attorney General, the
6 Commissioner of Banking and Insurance, the Commissioner of Health
7 and Senior Services or any other government official or entity or the
8 court to review, approve or disapprove conditions related to an
9 acquisition, transaction or disposition under current law.

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14 Designated the "Community Health Care Assets Protection Act."