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Replace line 63 on page 3 with the following:

    subsidiary of a health care service corporation, by  
means of one

Replace line 66 on page 3 with the following:

(2) The reorganization shall:

Replace line 77 on page 3 with the following:

    including this title or Chapter 29 of Title 27, as  
part of the

Replace line 96 on page 4 with the following:

    aiding, promoting, or assisting in the  
reorganization.

Replace line 98 on page 4 with the following:

    and (d) shall be the exclusive means of effecting the

Replace line 103 on page 4 with the following:

    connection with the reorganization, including a



25 transfer

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27 Replace line 108 on page 4 with the following:

28 of its board of directors, may authorize the  
29 reorganization and

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31 Replace line 153 on page 6 with the following:

32 addition to any transfer in connection with the  
33 reorganization

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35 Replace line 177 on page 7 with the following:

36 (j)(1) The reorganization does not change the legal  
37 form

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39 Replace line 186 on page 7 with the following:

40 a. Neither the reorganization nor any other  
41 transaction

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43 Replace line 190 on page 7 with the following:

44 b. In addition to a transfer in connection with the

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46 Replace line 202 on page 8 with the following:

47 corporation resulting from the reorganization shall  
48 be governed



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Replace line 205 on page 8 with the following:

the reorganization is permitted, pursuant to Section  
10A-1-8.02,

Replace line 209 on page 8 with the following:

is the surviving corporation in the merger.

(k) As to a person operating one or more hospitals as defined in Section 22-21-20 in the State of Alabama or operating any other direct health care provider in the State of Alabama, a nonprofit holding corporation, including its affiliates, shall not control, directly or indirectly, or own in whole or in part, directly or indirectly, the person. This subsection shall not prohibit the acquisition of such a person that is a foreign entity if the nonprofit holding corporation agrees to have divested the person's direct health care provider in the State of Alabama within two years after the acquisition closes. As used in this subsection, neither the term "affiliate" nor the term "person" shall mean or include, and the restrictions in this subsection shall not apply with respect to, a health care service corporation organized under this article or a subsidiary thereof.



73           (1) Except if existing before or resulting from the  
74 reorganization, the nonprofit holding corporation,  
75 including its affiliates, shall not control, directly or  
76 indirectly, or own in whole or in part, directly or  
77 indirectly, any of the following entities providing  
78 health insurance in the State of Alabama:

79           (1) An insurance company licensed pursuant to Chapter  
80 3 of Title 27.

81           (2) A health care service plan formed after calendar  
82 year 2025 and licensed pursuant to this article.

83           (3) A fraternal benefit society licensed pursuant to  
84 Chapter 34 of Title 27.

85           (4) A health maintenance organization licensed  
86 pursuant to Chapter 21A of Title 27.

87           (m) Notwithstanding anything to the contrary, nothing  
88 in this section is intended to, nor shall prevent, limit,  
89 or restrict in any way, any direct or indirect  
90 acquisition, ownership, transaction, business,  
91 investment, or other activity that is made, held, or  
92 conducted by a health care service corporation or a  
93 subsidiary of a health care service corporation that is  
94 otherwise permissible for that person under applicable  
95 law.

96           (n) Following the reorganization, if a transaction



97 involving a health care service corporation: (i) requires  
98 notice to the commissioner of the department pursuant to  
99 Section 27-29-5(b)(1)a.1.; and (ii) exceeds five percent  
100 of the health care service corporation's admitted assets  
101 as of the 31st day of December next preceding, then in  
102 addition to other applicable requirements under Section  
103 27-29-5, the department shall provide the public with  
104 notice and an opportunity for a period of 30 days  
105 following the date of the public notice, to provide  
106 written comments to the department on the transaction,  
107 and the transaction at issue may be entered into unless  
108 the commissioner of the department disapproves the  
109 transaction with the 30-day comment period.