

HB605 ENROLLED



1 HB605
2 AR46WQ7-3
3 By Representative Kiel
4 RFD: Judiciary
5 First Read: 10-Mar-26



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1 Enrolled, An Act,

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3 Relating to rural healthcare; to authorize regulated
4 collaboration among rural healthcare providers and related
5 entities; to establish a certification and active supervision
6 framework administered by the state; to articulate a state
7 policy to preserve rural healthcare access and quality; to
8 provide limited immunity from state and federal antitrust laws
9 consistent with the state action doctrine; to prescribe
10 application, review, monitoring, renewal, and enforcement
11 procedures; to limit immunity to approved and supervised
12 conduct; and to provide related protections and
13 safeguards.

14 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

15 Section 1. This act may be known and cited as the Rural
16 Health Antitrust Immunity Act.

17 Section 2. The Legislature finds and declares the
18 following:

19 (1) Alabama's rural communities face persistent
20 disparities in access to care, workforce capacity, health
21 outcomes, and healthcare infrastructure, requiring coordinated
22 and sustained action across state agencies, the Legislature,
23 providers, and community partners.

24 (2) Rural healthcare facilities are closing and losing
25 important specialty services due to increasing costs and the
26 inability to recruit and retain qualified physicians and other
27 healthcare professionals.

28 (3) The One Big Beautiful Bill Act, signed into law on



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29 July 4, 2025, by President Donald J. Trump, established the
30 Rural Health Transformation Program, which authorizes states
31 to submit plans to strengthen rural communities by improving
32 healthcare access, quality, and outcomes by transforming the
33 healthcare delivery system. On November 5, 2025, the state
34 submitted its plan, known as the Alabama Rural Health
35 Transformation Program, to the Centers for Medicare & Medicaid
36 Services, which includes policy reforms, innovative care
37 models, shared-service infrastructure, and workforce
38 initiatives.

39 (4) On December 18, 2025, Governor Kay Ivey issued
40 Executive Order No. 741 which established the Alabama Rural
41 Health Transformation Advisory Group to coordinate policy
42 development, stakeholder engagement, and intergovernmental
43 collaboration.

44 (5) Collaboration among entities and individuals to
45 expand access to healthcare in rural areas of the state is in
46 the best interest of Alabama citizens.

47 (6) It is the policy of this state to improve
48 healthcare access, healthcare quality, and health outcomes for
49 Alabama citizens who live in one of the state's rural counties
50 through the Alabama Rural Health Transformation Program's
51 initiatives, and, where necessary, to substitute regulated
52 collaboration and coordination for unfettered competition
53 under active state supervision. The Legislature further
54 articulates a state policy to displace competition in rural
55 healthcare markets, when reasonably necessary to advance the
56 purposes of this Act, including authorization of conduct that



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57 may otherwise restrain trade, affect prices, markets, or
58 output.

59 (7) It is the intent of the legislature to exempt from
60 state anti-trust laws, and provide immunity from federal
61 anti-trust laws through the state action doctrine, to entities
62 and individuals carrying out the state's policy provided in
63 this Act.

64 (8) This Act is intended to satisfy the requirements of
65 the state-action doctrine under federal antitrust law.

66 Section 3. (a) Subject to approval as provided in this
67 Act, entities and individuals may engage in data sharing,
68 collaborating, and providing shared services to carry out the
69 state's policy provided in this Act. Such activities may
70 include, but are not limited to:

71 (1) Joint purchasing and contracting;

72 (2) Shared clinical, administrative, and support
73 services;

74 (3) Coordinated staffing arrangements;

75 (4) Joint quality improvement initiatives;

76 (5) Shared technology platforms;

77 (6) Joint negotiations with payors, suppliers, and
78 vendors;

79 (7) Coordinated service line development; and

80 (8) Shared facilities, equipment, and infrastructure.

81 (b) Notwithstanding any language or provision to the
82 contrary, joint negotiations with a Health Benefit Plan or
83 Health Insurer, as those terms are defined in Alabama Code
84 Section 27-45A-3(4) and 27-45A-3(5), respectively; an employee



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85 welfare benefit plan, as defined in 29 U.S.C. 1002(1); a plan
86 that pays or reimburses for health care services pursuant to
87 Chapter 25A of Title 16, Code of Alabama 1975, Chapter 29 of
88 Title 36, Code of Alabama 1975, or Chapter 91A of Title 11,
89 Code of Alabama; or the administrator of any such plan is not
90 included and is hereby expressly prohibited from approval by
91 the Agency as an allowed activity pursuant to this Act.

92 (c) Prior to engaging in activities provided in
93 subsection (a), an entity or individual shall obtain a valid
94 certificate authorizing such activities issued by the State
95 Health Planning and Development Agency, acting through its
96 Executive Director.

97 (d) An applicant shall describe with reasonable
98 particularity:

99 (1) The parties to the engagement;

100 (2) The nature and scope of the proposed activities;

101 (3) The anticipated effects of engagement, including
102 any expected impact on competition; and

103 (4) Any other information requested by the State Health
104 Planning and Development Agency.

105 (e) In addition, to the requirements of subsection (c),
106 the applicant shall certify that the engagement is in good
107 faith and is reasonably necessary to further the state's
108 policy set forth in this Act.

109 (f) The State Health Planning and Development Agency
110 may issue a certificate if it determines that the activities
111 are reasonably necessary to further the state's policy set
112 forth in this Act and the benefits of the proposed activities



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113 outweigh foreseeable anticompetitive effects. In making this
114 determination, the State Health Planning and Development
115 Agency may consider the effects of the proposed engagement on:

116 (1) The quality of hospital and related care provided
117 to rural Alabama citizens;

118 (2) The continued availability of hospital facilities
119 in close geographical proximity to the rural communities they
120 serve;

121 (3) Potential cost efficiencies in the services
122 provided by the applicant and other individuals and entities
123 involved in the proposed engagement;

124 (4) The efficient use of rural healthcare resources and
125 equipment, including the avoidance of duplication of resources
126 and equipment;

127 (5) Improvements in health outcomes in the region
128 impacted by the proposed engagement;

129 (6) Access to care for medically underserved rural
130 populations and the extent to which these populations are
131 likely to benefit from the proposed activities;

132 (7) The ability of rural healthcare payors to negotiate
133 appropriate payment and service arrangements with rural
134 healthcare providers;

135 (8) Competition among rural healthcare providers and
136 others providing goods or services to, or competing with, such
137 providers;

138 (9) The quality, availability, and price of healthcare
139 services for rural Alabama citizens; and

140 (10) Whether other alternatives could reasonably



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141 achieve the same or greater public health benefits with fewer
142 anticompetitive effects.

143 (g) A certificate issued under this section shall not
144 become effective unless and until it is reviewed and approved
145 in writing by the Governor or the Governor's designee. The
146 Governor may approve, in whole or in part, disapprove, or
147 return the certificate for further consideration, and may
148 impose conditions consistent with the purposes of this Act.

149 Section 4. (a) A certificate issued pursuant to section
150 3. is valid for a period of three years. An applicant may
151 renew its certificate in three-year increments. An application
152 for renewal shall include:

153 (1) A certification that the engagement has continued
154 and will continue in good faith and continues to be reasonably
155 necessary to further the state's policy set forth in this Act;

156 (2) An explanation of how the engagement has furthered
157 the state's policy as set forth in this Act; and

158 (3) Any other information requested by the State Health
159 Planning and Development Agency.

160 (b) The State Health Planning and Development Agency
161 may approve the renewal, in whole or in part, or on an amended
162 basis, if it determines that the activities continue to be
163 reasonably necessary to further the state's policy set forth
164 in this Act and the benefits of the proposed activities
165 outweigh foreseeable anticompetitive effects.

166 Section 5. (a) The State Health Planning and
167 Development Agency shall adopt rules that provide for the
168 ongoing and active supervision of activities conducted



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169 pursuant to a certificate issued under this Act.

170 (b) Notwithstanding Section 4., the State Health
171 Planning and Development Agency shall amend or revoke a
172 certificate at any time if it determines that the activities
173 conducted pursuant to a certificate under this act are not
174 reasonably necessary to further the state's policy set forth
175 in this Act or the benefits of the proposed activities do not
176 outweigh foreseeable anticompetitive effects.

177 Section 6. The State Health Planning and Development
178 Agency shall adopt rules to implement this act.

179 Section 7. This act shall become effective immediately.



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Speaker of the House of Representatives

President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in and was passed by the House 31-Mar-26.

John Treadwell
Clerk

Senate

09-Apr-26

Passed