

**As Reported by the House Government Accountability and Oversight
Committee**

132nd General Assembly

**Regular Session
2017-2018**

Am. H. B. No. 462

Representatives Schuring, West

A BILL

To enact section 3727.11 of the Revised Code to
require that a hospital and its affiliated
health care facilities in certain counties
follow specified procedures before permanently
ceasing operations or closing, to terminate the
provisions of this act on June 19, 2018, and to
declare an emergency.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 3727.11 of the Revised Code be
enacted to read as follows:

Sec. 3727.11. (A) As used in this section, "affiliated"
health care facility" means a health care facility, including a
health care practitioner's office but excluding a hospital, at
which preventive, diagnostic, therapeutic, acute convalescent,
rehabilitation, mental health, intellectual disability,
intermediate care, or skilled nursing services are provided and
which is owned, leased, operated, or controlled, in whole or in
part, by a hospital.

(B) On and after the effective date of this section, no

hospital in a county with a population of at least three hundred 19
seventy thousand but less than three hundred seventy-five 20
thousand according to the most recent population estimates 21
issued by the United States census bureau may permanently cease 22
operations or permanently close unless both of the following are 23
the case: 24

(1) The auditor of state has determined that the procedure 25
specified in division (C) of this section has been followed. 26

(2) If applicable and after the determination in division 27
(B)(1) of this section is made, the hospital has complied with 28
voluntary dissolution procedures specified in sections 1701.86 29
to 1701.882 of the Revised Code. 30

(C) Before a hospital in a county described in division 31
(B) of this section may permanently cease operations or 32
permanently close, it must do all of the following: 33

(1) Submit to the auditor sufficient evidence of poor 34
financial condition, supported by audited financial statements, 35
that justifies the hospital's cessation of operations or 36
closure; 37

(2) Submit to the auditor sufficient evidence of good- 38
faith negotiations with at least three other hospitals or 39
hospital systems to purchase it and its affiliated health care 40
facilities; 41

(3) Accept new patients and continue clinical operations 42
until at least May 19, 2018; 43

(4) Submit to the auditor a credible plan for the transfer 44
of each patient for care and of each health care practitioner 45
for employment to another hospital or health care facility, as 46
applicable, located not more than fifteen miles from the 47

originating hospital or facility; 48

(5) Submit to the auditor sufficient evidence that all 49
outstanding debts to persons and government entities in the 50
county in which it is located have been paid; 51

(6) Submit to the auditor sufficient evidence that it has 52
paid all taxes levied by the state or by a subdivision or other 53
taxing unit of the state, including taxes held in trust by the 54
hospital such as employer-withheld income taxes and sales or use 55
taxes, for which the hospital is liable. 56

(D) The auditor's determination described in division (B) 57
(1) of this section is final. 58

(E) If the auditor determines that a hospital in a county 59
described in division (B) of this section is not in compliance 60
with this section, the auditor may petition the court of common 61
pleas in that county for injunctive relief. The court shall 62
grant injunctive relief upon a showing that the hospital is not 63
in compliance. 64

Section 2. Section 3727.11 of the Revised Code is hereby 65
repealed on June 19, 2018. 66

Section 3. This act is hereby declared to be an emergency 67
measure necessary for the immediate preservation of the public 68
peace, health, and safety. The reason for such necessity is that 69
the closure of a hospital and its affiliated health care 70
facilities as described in this act is likely to cause a medical 71
crisis for thousands of residents who need access to primary and 72
critical care. Therefore, this act shall go into immediate 73
effect. 74