
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2634 Session of
2018

INTRODUCED BY DERMODY, SEPTEMBER 11, 2018

REFERRED TO COMMITTEE ON FINANCE, SEPTEMBER 11, 2018

A JOINT RESOLUTION

1 Proposing an amendment to the Constitution of the Commonwealth
2 of Pennsylvania, providing for criteria for institutions of
3 purely public charity.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby resolves as follows:

6 Section 1. The following amendment to the Constitution of
7 Pennsylvania is proposed in accordance with Article XI:

8 That section 2(b) of Article VIII be amended by adding a
9 clause to read:

10 § 2. Exemptions and special provisions.

11 * * *

12 (b) The General Assembly may, by law:

13 * * *

14 (vii) Establish uniform standards and qualifications for
15 institutions of purely public charity under clause (v) of
16 subsection (a). The following shall apply:

17 (1) Among other standards and qualifications the General
18 Assembly may determine under this clause, for an institution

1 that meets the criteria in subclause (2) to be considered an
2 institution of purely public charity under clause (v) of
3 subsection (a), the institution must do the following:

4 (I) Provide access to all persons in the community able to
5 pay the cost thereof directly or through third-party
6 reimbursement.

7 (II) Accept as full payment for its services provided to
8 uninsured patients or to patients who are subscribers of a
9 medical or health care insurance company that does not have a
10 contract with the institution, the lesser of:

11 (A) the average of the payments the institution would
12 receive under its three lowest negotiated commercial insurance
13 rates for the services provided; or

14 (B) the payment the institution would receive under the
15 Medicare program for the services provided.

16 (2) The provisions of subclause (1) shall apply to an
17 institution that:

18 (I) provides health care services in this Commonwealth; and

19 (II) owns or otherwise is affiliated with, other than by
20 contract, an entity that provides medical or health care
21 insurance coverage in this Commonwealth.

22 * * *

23 Section 2. (a) Upon the first passage by the General
24 Assembly of this proposed constitutional amendment, the
25 Secretary of the Commonwealth shall proceed immediately to
26 comply with the advertising requirements of section 1 of Article
27 XI of the Constitution of Pennsylvania and shall transmit the
28 required advertisements to two newspapers in every county in
29 which such newspapers are published in sufficient time after
30 passage of this proposed constitutional amendment.

1 (b) Upon the second passage by the General Assembly of this
2 proposed constitutional amendment, the Secretary of the
3 Commonwealth shall proceed immediately to comply with the
4 advertising requirements of section 1 of Article XI of the
5 Constitution of Pennsylvania and shall transmit the required
6 advertisements to two newspapers in every county in which such
7 newspapers are published in sufficient time after passage of
8 this proposed constitutional amendment. The Secretary of the
9 Commonwealth shall submit this proposed constitutional amendment
10 to the qualified electors of this Commonwealth at the first
11 primary, general or municipal election which meets the
12 requirements of and is in conformance with section 1 of Article
13 XI of the Constitution of Pennsylvania and which occurs at least
14 three months after the proposed constitutional amendment is
15 passed by the General Assembly.