
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 734 Session of
2019

INTRODUCED BY DERMODY, HILL-EVANS, SCHLOSSBERG, D. MILLER,
ULLMAN, SIMS, BARRAR, SAINATO, SNYDER, CALTAGIRONE, NEILSON,
MASSER, FREEMAN, A. DAVIS, DeLUCA, PASHINSKI, KINSEY, KORTZ,
READSHAW, DALEY, DEASY AND OTTEN, MARCH 12, 2019

REFERRED TO COMMITTEE ON INSURANCE, MARCH 12, 2019

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

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

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

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

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

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

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

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

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

23 * * *

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

1 passage of this proposed constitutional amendment.

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