

The House Committee on Health & Ecology offers the following substitute to HB 1089:

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 13-8-2 of the Official Code of Georgia Annotated, relating to
2 contracts contravening public policy generally, so as to declare as contrary to public policy
3 certain contracts between a hospital which is a provider of obstetric services and certain
4 insurers; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

6 Code Section 13-8-2 of the Official Code of Georgia Annotated, relating to contracts
7 contravening public policy generally, is amended by adding a new subsection (c) to read as
8 follows:
9

10 "(c)(1) As used in this subsection, the term:

11 (A) 'Affected hospital' means:

12 (i) Any hospital which is located within the same county as a strategic obstetric
13 hospital and which is located at a distance from the strategic obstetric hospital which
14 is more than:

15 (I) Ten miles; or

16 (II) Thirty minutes' driving time at any time of the day; or

17 (ii) Any hospital which does not provide obstetrical services and which is located
18 within one mile of a strategic obstetric hospital.

19 (B) 'Strategic obstetric hospital' means:

20 (i) Any hospital which is located in a county in which more than five acute care
21 hospitals are located and where the distance between such hospital and any other
22 hospital in the county is more than:

23 (I) Ten miles; or

24 (II) Thirty minutes' driving time at any time of the day; or

25 (ii) Any hospital which is located within one mile of another hospital which does not
26 provide obstetrical services.

1 (2) Any contract for health services, including any renewal of or amendment to such
2 contract entered into between an insurer and a strategic obstetric hospital, is against
3 public policy and is void and unenforceable when said contract, renewal, or amendment
4 has the effect of interfering with a consumer's ability to receive or obtain nonobstetrical
5 health care services from any affected hospital under the same terms and conditions as
6 the insurer contracted with the strategic obstetric hospital for such nonobstetrical
7 services."

8
9 **SECTION 2.**

10 All laws and parts of laws in conflict with this Act are repealed.