

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

A BILL TO BE ENTITLED  
AN ACT

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

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

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

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

(A) 'Affected hospital' means:

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

(I) Ten miles; or

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

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

(B) 'Strategic obstetric hospital' means:

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

(I) Ten miles; or

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

(ii) Any hospital which is located within one mile of another hospital which does not 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10 All laws and parts of laws in conflict with this Act are repealed.