

SENATE BILL 646

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4r1352
CF HB 1253

By: Senators Middleton, Astle, Benson, Brinkley, Brochin, Colburn, Conway, Currie, DeGrange, Dyson, Edwards, Feldman, Ferguson, Forehand, Frosh, Getty, Gladden, Glassman, Hershey, Jacobs, Jennings, Jones-Rodwell, Kasemeyer, Kelley, King, Kittleman, Klausmeier, Madaleno, Manno, Mathias, McFadden, Miller, Montgomery, Muse, Peters, Pinsky, Pugh, Ramirez, Raskin, Reilly, Robey, Rosapepe, Shank, Simonaire, Stone, Young, and Zirkin

Introduced and read first time: January 31, 2014

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 10, 2014

CHAPTER _____

1 AN ACT concerning

2 **State Health Plan – Licensed Hospice Programs – Certificate of Need Review**

3 FOR the purpose of requiring that, beginning on a certain date, the State health plan
4 methodologies, standards, and criteria for licensed hospice certificate of need
5 review shall use certain data from certain years to calculate a certain volume
6 threshold; requiring that, beginning on a certain date for licensed hospice
7 programs, the State health plan methodologies, standards, and criteria for
8 certificate of need review for a jurisdiction demonstrating need first take into
9 consideration the capability of current licensed hospice providers in that
10 jurisdiction that have the infrastructure, capacity, and scale to meet the
11 demonstrated need; requiring the Commission, in collaboration with the
12 Hospice and Palliative Care Network, to incorporate in a certain methodology
13 recognition that hospice utilization may be influenced by a certain demographic
14 makeup; providing for the use of certain race and ethnicity data in a certain
15 methodology; and generally relating to the State health plan and licensed
16 hospice programs.

17 BY repealing and reenacting, with amendments,

18 Article – Health – General

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Section 19–118
2 Annotated Code of Maryland
3 (2009 Replacement Volume and 2013 Supplement)

4 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
5 MARYLAND, That the Laws of Maryland read as follows:

6 **Article – Health – General**

7 19–118.

8 (a) (1) At least every 5 years, beginning no later than October 1, 1983, the
9 Commission shall adopt a State health plan.

10 (2) **[The] SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, THE**
11 **plan shall include:**

12 (i) The methodologies, standards, and criteria for certificate of
13 need review; and

14 (ii) Priority for conversion of acute capacity to alternative uses
15 where appropriate.

16 **(3) (I) SUBJECT TO PARAGRAPH (4) OF THIS SUBSECTION,**
17 **BEGINNING DECEMBER 31, 2014, THE PLAN METHODOLOGIES, STANDARDS,**
18 **AND CRITERIA FOR LICENSED HOSPICE CERTIFICATE OF NEED REVIEW SHALL**
19 **USE DATA FROM THE 5 MOST RECENT YEARS BEGINNING WITH THE MOST**
20 **RECENT DATA AVAILABLE 6 MONTHS PRIOR TO THE DATE USED TO CALCULATE**
21 **THE VOLUME THRESHOLD IN THE TARGET YEAR.**

22 **(II) BEGINNING DECEMBER 31, 2014, FOR LICENSED**
23 **HOSPICE PROGRAMS, THE PLAN METHODOLOGIES, STANDARDS, AND CRITERIA**
24 **FOR CERTIFICATE OF NEED REVIEW FOR A JURISDICTION DEMONSTRATING**
25 **NEED SHALL FIRST TAKE INTO CONSIDERATION THE CAPABILITY OF CURRENT**
26 **LICENSED HOSPICE PROVIDERS IN THAT JURISDICTION THAT HAVE THE**
27 **INFRASTRUCTURE, CAPACITY, AND SCALE TO MEET THE DEMONSTRATED NEED.**

28 **(4) (I) WHEN PROJECTING NEED FOR ADDITIONAL HOSPICE**
29 **CAPACITY, THE COMMISSION, IN COLLABORATION WITH THE HOSPICE AND**
30 **PALLIATIVE CARE NETWORK, SHALL INCORPORATE IN THE METHODOLOGY**
31 **USED RECOGNITION THAT HOSPICE UTILIZATION MAY BE INFLUENCED BY THE**
32 **DEMOGRAPHIC MAKEUP OF A JURISDICTION.**

33 **(II) THE METHODOLOGY UNDER SUBPARAGRAPH (I) OF**
34 **THIS PARAGRAPH SHALL USE RACE AND ETHNICITY UTILIZATION DATA,**

1 INCLUDING AVERAGE LENGTH OF STAY IN A HOSPICE PROGRAM, FROM THE
2 MOST RECENT STUDIES AS A DATA SOURCE WHEN PROJECTING NEED FOR
3 ADDITIONAL HOSPICE CAPACITY IN THE TARGET YEAR.

4 (b) Annually or upon petition by any person, the Commission shall review
5 the State health plan and publish any changes in the plan that the Commission
6 considers necessary, subject to the review and approval granted to the Governor under
7 this subtitle.

8 (c) The Commission shall adopt rules and regulations that ensure broad
9 public input, public hearings, and consideration of local health plans in development of
10 the State health plan.

11 (d) (1) The Commission shall develop standards and policies consistent
12 with the State health plan that relate to the certificate of need program.

13 (2) The standards:

14 (i) Shall address the availability, accessibility, cost, and quality
15 of health care; and

16 (ii) Are to be reviewed and revised periodically to reflect new
17 developments in health planning, delivery, and technology.

18 (3) In adopting standards regarding cost, efficiency, cost-effectiveness,
19 or financial feasibility, the Commission shall take into account the relevant
20 methodologies of the Health Services Cost Review Commission.

21 (e) Annually, the Secretary shall make recommendations to the Commission
22 on the plan. The Secretary may review and comment on State specifications to be used
23 in the development of the State health plan.

24 (f) All State agencies and departments, directly or indirectly involved with
25 or responsible for any aspect of regulating, funding, or planning for the health care
26 industry or persons involved in it, shall carry out their responsibilities in a manner
27 consistent with the State health plan and available fiscal resources.

28 (g) In carrying out their responsibilities under this Part II of this subtitle for
29 hospitals, the Commission and the Secretary shall recognize, but may not apply,
30 develop, or duplicate standards or requirements related to quality which have been
31 adopted and enforced by national or State licensing or accrediting authorities.

32 (h) The Commission shall transfer to the Department of Health and Mental
33 Hygiene health planning functions and necessary staff resources for licensed entities
34 in the State health plan that are not required to obtain a certificate of need or an
35 exemption from the certificate of need program.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2014.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.