

# SENATE BILL 324

J3, B5

6lr1386  
CF HB 309

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By: Senators Miller, Astle, Benson, Conway, Currie, DeGrange, Feldman, Ferguson, Gladden, Kagan, Kasemeyer, Kelley, King, Klausmeier, Lee, Madaleno, Manno, Mathias, McFadden, Middleton, Muse, Nathan-Pulliam, Peters, Pinsky, Pugh, Ramirez, Raskin, Young, and Zirkin

Introduced and read first time: January 27, 2016

Assigned to: Budget and Taxation

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 24, 2016

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Prince George's County Regional Medical Center Act of 2016**

3 FOR the purpose of requiring that in certain fiscal years certain amounts be provided in a  
4 certain manner as an operating grant to ~~the Board of Directors of~~ the University of  
5 Maryland Medical System Corporation for certain purposes; requiring the Governor  
6 to include certain appropriations in the budget bill for certain fiscal years for certain  
7 purposes; requiring Prince George's County to provide certain funds and other  
8 financial assistance to ~~the Board of Directors of~~ the University of Maryland Medical  
9 System Corporation; requiring that certain State and Prince George's County funds  
10 be used for certain purposes, including the construction of the Prince George's  
11 County Regional Medical Center; requiring the Governor to include certain amounts  
12 in the capital or operating budget bill for certain fiscal years; declaring the intent of  
13 the General Assembly; ~~making this Act subject to a certain contingency~~; requiring a  
14 certain allocation of capital funding for a certain purpose; providing for the  
15 termination of this Act; and generally relating to funding for certain purposes in  
16 connection with the construction of the Prince George's County Regional Medical  
17 Center.

18 BY adding to

19 Article – Health – General

20 Section 19–2401 to be under the new subtitle “Subtitle 24. Prince George's County  
21 Regional Medical Center”

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### 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 Annotated Code of Maryland  
2 (2015 Replacement Volume)

3 Preamble

4 WHEREAS, The residents of Prince George's County and all of Southern Maryland  
5 deserve access to a high-quality comprehensive health care system; and

6 WHEREAS, Residents of Prince George's County suffer from higher rates of chronic  
7 diseases and higher rates of death from heart disease and cancer than residents of  
8 neighboring jurisdictions; and

9 WHEREAS, African American residents of Prince George's County suffer from rates  
10 of chronic disease and deaths from heart disease and cancer that are significantly higher  
11 than that of other minority and white residents of the county; and

12 WHEREAS, Residents of Prince George's County and Southern Maryland have less  
13 access to all types of medical, dental, and mental health providers compared to residents of  
14 neighboring jurisdictions; and

15 WHEREAS, Over 60% of Prince George's County residents who require  
16 hospitalization in any given year now receive that care at hospitals outside the county and  
17 often outside the State; and

18 WHEREAS, A study published by the University of Maryland School of Public  
19 Health recommended that the development of a high-quality academically affiliated  
20 regional medical center with a prevention-focused ambulatory care network should be the  
21 anchor on which Prince George's County could develop a health care system to address the  
22 underlying health issues facing residents of the jurisdiction; and

23 WHEREAS, In July 2011, the State, Prince George's County, the University of  
24 Maryland Medical System Corporation, the University System of Maryland, and  
25 Dimensions Health Corporation entered into a Memorandum of Understanding to  
26 transform the county's existing health care delivery system into an efficient, effective, and  
27 financially viable system with improved access; and

28 WHEREAS, The State fulfilled the requirements of the July 2011 Memorandum by  
29 providing \$60 million in operating support and \$24 million in capital support between fiscal  
30 year 2012 and fiscal year 2015; and

31 ~~WHEREAS, The fiscal year 2016 Capital Improvement Plan called for the provision~~  
32 ~~of an additional \$45 million in State support in fiscal year 2017 and \$90 million in fiscal~~  
33 ~~year 2018 for the development of the Prince George's County Regional Medical Center; and~~

34 WHEREAS, The State, in partnership with Prince George's County and the  
35 University of Maryland Medical System, has made a commitment to the residents of Prince  
36 George's County and the Southern Maryland region to transform the regional health care

1 delivery system and to build and support the transition of the Dimensions Health Care  
 2 System to a new Prince George’s County Regional Medical Facility and System within the  
 3 University of Maryland Medical System; and

4 WHEREAS, Prince George’s County and the University of Maryland Medical System  
 5 have fulfilled and are prepared to continue to fulfill their commitments to the partnership  
 6 entered into in 2011, and the State should fulfill its commitment to both the partnership  
 7 and to advancing access to the highest quality health care services for the residents of  
 8 Prince George’s County and the entire Southern Maryland region; now, therefore,

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

11 **Article – Health – General**

12 **SUBTITLE 24. PRINCE GEORGE’S COUNTY REGIONAL MEDICAL CENTER.**

13 **19-2401.**

14 **(A) (1) SUBJECT TO SUBSECTION (B) OF THIS SECTION, FOR THE**  
 15 **PURPOSE OF PROVIDING AN OPERATING GRANT TO ENSURE AND ASSIST IN THE**  
 16 **TRANSITION OF A NEW PRINCE GEORGE’S COUNTY REGIONAL MEDICAL SYSTEM TO**  
 17 **~~THE BOARD OF DIRECTORS OF~~ THE UNIVERSITY OF MARYLAND MEDICAL SYSTEM**  
 18 **CORPORATION:**

19 ~~(I) IN FISCAL YEAR 2017, \$15,000,000 SHALL BE~~  
 20 ~~TRANSFERRED FROM THE DEDICATED PURPOSE ACCOUNT ESTABLISHED UNDER §~~  
 21 ~~7-310 OF THE STATE FINANCE AND PROCUREMENT ARTICLE;~~

22 ~~(H)~~ **FOR FISCAL YEAR 2018, THE GOVERNOR SHALL INCLUDE IN**  
 23 **THE BUDGET BILL AN APPROPRIATION OF:**

24 **1. \$15,000,000; ~~AND OR~~**

25 **2. ~~IF THE AMOUNT UNDER ITEM (I) OF THIS PARAGRAPH~~**  
 26 **~~IS NOT PROVIDED AS \$30,000,000, IF A GRANT OF \$15,000,000 IS NOT PROVIDED IN~~**  
 27 **A FISCAL 2016 DEFICIENCY APPROPRIATION TO ~~THE BOARD OF DIRECTORS OF THE~~**  
 28 **UNIVERSITY OF MARYLAND MEDICAL SYSTEM CORPORATION ON OR BEFORE JUNE**  
 29 **30, 2017, 2016 AN ADDITIONAL \$15,000,000;**

30 ~~(H)~~ **(II) FOR FISCAL YEAR 2019, THE GOVERNOR SHALL**  
 31 **INCLUDE IN THE BUDGET BILL AN APPROPRIATION OF \$15,000,000; AND**

32 ~~(IV)~~ **(III) FOR FISCAL YEARS 2020 AND 2021, THE GOVERNOR**  
 33 **SHALL INCLUDE IN THE BUDGET BILL AN APPROPRIATION OF \$5,000,000.**

1           **(2) SUBJECT TO SUBSECTION (B) OF THIS SECTION, PRINCE**  
 2 **GEORGE'S COUNTY SHALL PROVIDE A COMBINATION OF MATCHING FUNDS AND**  
 3 **OTHER FINANCIAL ASSISTANCE TO ~~THE BOARD OF DIRECTORS OF~~ THE UNIVERSITY**  
 4 **OF MARYLAND MEDICAL SYSTEM CORPORATION THAT CONSTITUTES TOTAL**  
 5 **FINANCIAL ASSISTANCE AS FOLLOWS:**

6                   **(I) \$15,000,000 ANNUALLY FOR FISCAL YEAR 2017 THROUGH**  
 7 **FISCAL YEAR 2019; AND**

8                   **(II) \$5,000,000 ANNUALLY FOR FISCAL YEARS 2020 AND 2021.**

9           **(B) THE STATE AND COUNTY FUNDS DESCRIBED IN SUBSECTION (A) OF THIS**  
 10 **SECTION:**

11           **(1) SHALL BE USED TO SUPPORT THE TRANSITION OF THE PRINCE**  
 12 **GEORGE'S COUNTY REGIONAL MEDICAL CENTER FROM OPERATION UNDER THE**  
 13 **DIMENSIONS HEALTH CARE SYSTEM TO OPERATION AS A PARTICIPATING**  
 14 **INSTITUTION OF THE UNIVERSITY OF MARYLAND MEDICAL SYSTEM**  
 15 **CORPORATION; AND**

16           **(2) MAY BE USED ONLY FOR:**

17                   **(I) PROVIDING INCREASED ACCESS TO CRITICAL HEALTH CARE**  
 18 **SERVICES FOR THE REGION SERVED BY THE PRINCE GEORGE'S COUNTY REGIONAL**  
 19 **MEDICAL CENTER AND IMPROVING THE QUALITY OF THE SERVICES PROVIDED; AND**

20                   **(II) FACILITATING COST CONTAINMENT MEASURES TO**  
 21 **PREVENT ADDITIONAL OPERATING LOSSES FOR THE PRINCE GEORGE'S COUNTY**  
 22 **REGIONAL MEDICAL CENTER AND ITS ~~PREDECESSOR~~ AFFILIATED INSTITUTIONS.**

23           **(C) (1) THE GOVERNOR SHALL INCLUDE IN THE CAPITAL OR OPERATING**  
 24 **BUDGET BILL THE FOLLOWING AMOUNTS THAT ARE EQUAL TO THE CAPITAL FUNDS**  
 25 **COMMITTED BY PRINCE GEORGE'S COUNTY TO BE USED FOR THE CONSTRUCTION**  
 26 **OF THE PRINCE GEORGE'S COUNTY REGIONAL MEDICAL CENTER:**

27                   **(I) ~~\$45,000,000 FOR FISCAL YEAR 2017;~~**

28                   **~~(H) \$90,000,000~~ \$67,500,000 FOR FISCAL YEAR 2018; AND**

29                   **~~(HH) (II) \$8,000,000~~ \$48,000,000 FOR FISCAL YEAR 2019.**

1           **(2) PRINCE GEORGE'S COUNTY SHALL PROVIDE MATCHING FUNDS**  
 2 **OF \$208,000,000 FOR THE CAPITAL CONSTRUCTION OF THE PRINCE GEORGE'S**  
 3 **COUNTY REGIONAL MEDICAL CENTER.**

4           SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General  
 5 Assembly that the Maryland Health Care Commission shall give priority timely  
 6 consideration to the certificate of need applications of replacement facilities ~~before~~  
 7 ~~consideration of new certificate of need applications.~~ The Maryland Health Care  
 8 Commission shall make every effort to make a determination on the certificate of need for  
 9 the replacement facility for the Prince George's Hospital on or before July 1, 2016.

10           SECTION 3. AND BE IT FURTHER ENACTED, That ~~this Act shall take effect~~  
 11 ~~contingent on the transfer of the governance of the Prince George's County Regional~~  
 12 ~~Medical Center to the University of Maryland Medical System,~~ within 90 days after a  
 13 certificate of need for the Prince George's County Regional Medical Center is approved, the  
 14 University of Maryland Medical System Corporation shall become the sole corporate  
 15 member of Dimensions Health Care Corporation and as a result, the University of  
 16 Maryland Medical System Corporation shall be responsible for the governance structure of  
 17 the entity. The University of Maryland Medical System shall notify the Department of  
 18 Legislative Services within 5 days after the transfer of governance to the University of  
 19 Maryland Medical System. If notice of the transfer is not received by the Department of  
 20 Legislative Services on or before December 31, 2016, this Act shall be null and void without  
 21 the necessity of further action by the General Assembly.

22           SECTION 4. AND BE IT FURTHER ENACTED, That from the capital contributions  
 23 made by the State allocated for the Prince George's County Regional Medical Center, not  
 24 more than \$8,000,000 shall be allocated for the development and transformation plan for  
 25 Laurel Regional Hospital.

26           SECTION ~~4.~~ 5. AND BE IT FURTHER ENACTED, ~~That, subject to Section 3 of this~~  
 27 ~~Act,~~ That this Act shall take effect June 1, 2016. It shall remain effective for a period of 5  
 28 years and 1 month and, at the end of June 30, 2021, with no further action required by the  
 29 General Assembly, this Act shall be abrogated and of no further force and effect.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.