

Chapter 13

(Senate Bill 324)

AN ACT concerning

Prince George's County Regional Medical Center Act of 2016

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

BY adding to

Article – Health – General

Section 19–2401 to be under the new subtitle “Subtitle 24. Prince George's County
Regional Medical Center”Annotated Code of Maryland
(2015 Replacement Volume)

Preamble

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

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

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

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

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

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

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

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

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

WHEREAS, The State, in partnership with Prince George's County and the University of Maryland Medical System *Corporation*, has made a commitment to the residents of Prince George's County and the Southern Maryland region to transform the regional health care delivery system and to build and support the transition of the Dimensions Health Care System to a new Prince George's County Regional Medical Facility and System within the University of Maryland Medical System; and

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

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

Article – Health – General

SUBTITLE 24. PRINCE GEORGE'S COUNTY REGIONAL MEDICAL CENTER.

19-2401.

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

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

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

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

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

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

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

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

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

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

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

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

(2) MAY BE USED ONLY FOR:

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

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

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

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

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

~~(III) \$8,000,000~~ \$48,000,000 FOR FISCAL YEAR 2019.

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

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

SECTION 3. AND BE IT FURTHER ENACTED, That ~~this Act shall take effect contingent on the transfer of the governance of the Prince George's County Regional Medical Center to the University of Maryland Medical System, within 90 days after a certificate of need for the Prince George's County Regional Medical Center is approved,~~ this Act shall take effect contingent on the University of Maryland Medical System Corporation

~~shall become *becoming* the sole corporate member of Dimensions Health Care Corporation and as a result, *and* the University of Maryland Medical System Corporation shall be responsible for *assuming responsibility of* the governance structure of the entity. The University of Maryland Medical System shall notify the Department of Legislative Services within 5 days after the transfer of governance to the University of Maryland Medical System. If notice of the transfer is not received by the Department of Legislative Services on or before December 31, 2016, this Act shall be null and void without the necessity of further action by the General Assembly.~~

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

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

Enacted under Article II, § 17(b) of the Maryland Constitution, April 5, 2016.