

SB0938/167875/1

BY: Finance Committee

AMENDMENTS TO SENATE BILL 938
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “Senator Hayes” and substitute “Senators Hayes, Hershey, Kelley, Feldman, Augustine, Beidle, Benson, Jennings, Klausmeier, Kramer, and Reilly”; in line 3, strike “requiring each hospital” and substitute “providing that the assessment of a certain fee by the State Health Services Cost Review Commission for funding the Hospital Employees Retraining Fund is to be in the case of a hospital closure, merger, or full delicensure; altering the circumstances under which hospitals are required”; in line 4, strike “on a certain date each year” and substitute “requiring certain hospitals to pay a certain direct remittance to the Department on a certain date each year”; in line 5, strike “fees” and substitute “remittances”; in the same line, strike “a certain fund” and substitute “the Fund”; strike beginning with “requiring” in line 5 down through “circumstances;” in line 7 and substitute “authorizing the Commission to require certain hospitals to pay to the Department a certain remittance for a certain purpose under certain circumstances; prohibiting the Commission from raising certain rates as part of a certain update factor for a certain purpose;”; in line 7, after “hospital” insert “and certain employee organizations”; in line 11, after “requiring” insert “that”; in the same line, strike “to”; in line 18, after “date;” insert “requiring certain money to be returned to certain hospitals under certain circumstances;”; in the same line, after “conforming” insert “and stylistic”; in line 21, after “repealing” insert “and reenacting, with amendments;”; and in line 23, after “Section” insert “19–223 and”.

On pages 1 and 2, strike in their entirety the lines beginning with line 26 on page 1 through line 1 on page 2, inclusive.

AMENDMENT NO. 2

On page 2, after line 9, insert:

(Over)

“19–223.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “CLOSURE” MEANS THE COMPLETE CESSATION OF ALL SERVICES IN A HEALTH CARE FACILITY WHOSE RATES ARE SET BY THE COMMISSION.

(3) “FULL DELICENSURE” MEANS THE TOTAL WITHDRAWAL BY THE SECRETARY OF THE LICENSE TO OPERATE SERVICES IN ACCORDANCE WITH THE PROCESS ESTABLISHED UNDER § 19–325 OF THIS TITLE.

(4) “MERGER” MEANS THE UNION OF TWO OR MORE HOSPITALS BY THE TRANSFER OF ALL THE PROPERTY OF ONE OR MORE OF THE HOSPITALS TO ONE OF THE HOSPITALS THAT CONTINUES TO EXIST.

(B) The Commission shall assess a fee on all hospitals whose rates have been approved by the Commission to pay for:

(1) To the extent provided for in Title 10, Subtitle 3, Part IV of the Economic Development Article, the amounts required by § 10–350 of the Economic Development Article with respect to public obligations or closure costs of a closed or delicensed hospital; and

(2) Funding the Hospital Employees Retraining Fund IN THE CASE OF A HOSPITAL CLOSURE, MERGER, OR FULL DELICENSURE.”;

in lines 10 and 19, in each instance, strike the bracket; after line 10, insert:

“(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “ACQUISITION” MEANS:

(i) ANY TRANSFER OF STOCK OR ASSETS THAT RESULT IN A CHANGE OF THE PERSON OR PERSONS WHO CONTROL A HEALTH CARE FACILITY;
OR

(ii) THE TRANSFER OF ANY STOCK OR OWNERSHIP INTEREST IN A HEALTH CARE FACILITY IN EXCESS OF 25%.

(3) “CLOSURE” MEANS THE COMPLETE CESSATION OF ALL SERVICES IN A HEALTH CARE FACILITY WHOSE RATES ARE SET BY THE COMMISSION.

(4) “COMMISSION” MEANS THE STATE HEALTH SERVICES COST REVIEW COMMISSION.

(5) “DOWNSIZE” MEANS TO REDUCE THE NUMBER OF EMPLOYEES OF A HEALTH CARE FACILITY BY AT LEAST 17 FULL-TIME EQUIVALENT EMPLOYEES IN ANY CONSECUTIVE 3-MONTH PERIOD.

(6) “FULL DELICENSURE” MEANS THE TOTAL WITHDRAWAL BY THE SECRETARY OF THE LICENSE TO OPERATE SERVICES IN ACCORDANCE WITH THE PROCESS ESTABLISHED UNDER § 19-325 OF THIS SUBTITLE.

(7) “MERGER” MEANS THE UNION OF TWO OR MORE HOSPITALS BY THE TRANSFER OF ALL THE PROPERTY OF ONE OR MORE OF THE HOSPITALS TO ONE OF THE HOSPITALS THAT CONTINUES TO EXIST.

(Over)

(8) “PARTIAL CLOSURE” MEANS THE CLOSURE OF A SERVICE LINE OF A HEALTH CARE FACILITY WHOSE RATES ARE SET BY THE COMMISSION.

(9) “PARTIAL DELICENSURE” MEANS WITHDRAWAL BY THE SECRETARY OF THE LICENSE TO OPERATE A PORTION OF BEDS OR SERVICES IN A HEALTH CARE FACILITY WHOSE RATES ARE SET BY THE COMMISSION IN ACCORDANCE WITH THE PROCESS ESTABLISHED UNDER § 19-325 OF THIS TITLE.

(10) “SERVICE LINE” MEANS A GROUPING OF SERVICES INTO HIGHER LEVEL CATEGORIES THAT REFLECT SIMILAR CLINICAL DELIVERY.

(B) (1)”;

in line 11, strike “voluntarily”; in the same line, after “is” insert “**FULLY**”; strike beginning with the colon in line 12 down through “Each” in line 13 and substitute “, **EACH**”; in line 14, after “Labor.” insert:

(2)”;

in the same line, strike “shall” and substitute “**MAY**”; in line 15, after “hospital.” insert:

(3)”;

in line 16, strike “voluntary”; in the same line, after “or” insert “**FULL**”; in line 17, strike “(2)” and substitute “**(4)**”; in line 18, strike “Training” and substitute “**RETRAINING**”; strike line 20 in its entirety; in line 21, strike “(A)” and substitute “**(C)**”; in the same line, after “HOSPITAL” insert “**REGULATED BY THE COMMISSION**”; in the same line, strike “DIRECTLY”; in line 22, strike “FEE” and substitute “**DIRECT REMITTANCE**”; in the same line, after the second “THE” insert “**HOSPITAL’S**”; in line 23, strike “GROSS

PATIENT” and substitute “ANNUAL”; in the same line, strike “HEALTH SERVICES COST REVIEW”; in line 25, strike “FEES” and substitute “REMITTANCE”; in line 26, strike “TRAINING” and substitute “RETRAINING”; in line 28, strike “(B)” and substitute “(D)”; in line 29, strike “STATE HEALTH SERVICES COST REVIEW”; in line 30, strike “ADDITIONAL FEES” and substitute “TO THE MARYLAND DEPARTMENT OF LABOR A DIRECT REMITTANCE”; in line 31, after “ANY” insert “PARTIAL”; in the same line, strike “MERGER” and substitute “DOWNSIZING, ACQUISITION”; in the same line, after “OR” insert “PARTIAL”; and strike line 33 in its entirety and substitute:

“(E) THE COMMISSION MAY NOT RAISE HOSPITAL RATES AS PART OF THE ANNUAL UPDATE FACTOR TO OFFSET THE HOSPITALS’ DIRECT REMITTANCES TO THE HOSPITAL EMPLOYEES RETRAINING FUND UNDER SUBSECTIONS (C) AND (D) OF THIS SECTION.”

On page 3, in line 1, before “EACH” insert “(F)”; in lines 1 and 2, strike “HEALTH SERVICES COST REVIEW”; in line 5, after “LAYOFFS;” insert “AND”; strike beginning with “; AND” in line 7 down through “PURPOSES” in line 9; after line 9, insert:

“(G) AN ORGANIZATION REPRESENTING HOSPITAL EMPLOYEES THAT RECEIVES FUNDING FROM HOSPITALS FOR THE PURPOSE OF WORKER RETRAINING SHALL SUBMIT AN ANNUAL REPORT TO THE MARYLAND DEPARTMENT OF LABOR AND THE COMMISSION THAT DETAILS THE FUNDING RECEIVED AND THE TRAINING PROVIDED.”;

after line 13, insert:

“(2) “ACQUISITION” MEANS:

(I) ANY TRANSFER OF STOCK OR ASSETS THAT RESULTS IN A CHANGE OF THE PERSON OR PERSONS WHO CONTROL A HEALTH CARE FACILITY; OR

(II) THE TRANSFER OF ANY STOCK OR OWNERSHIP INTEREST IN A HEALTH CARE FACILITY IN EXCESS OF 25%.

(3) “CLOSURE” MEANS THE COMPLETE CESSATION OF ALL SERVICES IN A HEALTH CARE FACILITY WHOSE RATES ARE SET BY THE COMMISSION.

(4) “COMMISSION” MEANS THE STATE HEALTH SERVICES COST REVIEW COMMISSION.”;

in line 14, strike “(2)” and substitute “(5)”; strike beginning with “ACUTE” in line 15 down through “COMMISSION” in line 16 and substitute “ENTITY”; after line 17, insert:

(6) “MERGER” MEANS THE UNION OF TWO OR MORE HOSPITALS BY THE TRANSFER OF ALL THE PROPERTY OF ONE OR MORE OF THE HOSPITALS TO ONE OF THE HOSPITALS THAT CONTINUES TO EXIST.”;

in lines 18 and 20, strike “(3)” and “(4)”, respectively, and substitute “(7)” and “(8)”, respectively; and in line 24, strike “PHYSICAL” and substitute “PHYSICIAN”.

On page 5, in line 4, strike “STATE HEALTH SERVICES COST REVIEW”; in lines 12 and 13, strike “STATE HEALTH SERVICES COST REVIEW”; in line 16, strike “QUARTERLY” and substitute “ANNUAL”; in line 17, strike “19-326.2” and substitute “19-326.1”; after line 28, insert:

“SECTION 2. AND BE IT FURTHER ENACTED, That any monies remaining in the Hospital Employees Retraining Fund on September 30, 2023, shall be returned to the contributing hospitals, pro rata.”;

and in line 29, strike “2.” and substitute “3.”.