

HOUSE BILL 694

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2lr1776
CF SB 944

By: ~~Delegate Charkoudian~~ Delegates Charkoudian, Pendergrass, Pena-Melnyk, Bagnall, Belcastro, Bhandari, Carr, Cullison, Hill, Johnson, Kaiser, Kelly, Kerr, Landis, R. Lewis, Rosenberg, Sample-Hughes, and K. Young

Introduced and read first time: January 31, 2022
Assigned to: Health and Government Operations

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 13, 2022

CHAPTER _____

1 AN ACT concerning

2 **Hospitals – Financial Assistance – Medical Bill Reimbursement**

3 FOR the purpose of ~~establishing requirements and prohibitions related to the~~
4 ~~reimbursement of out of pocket costs paid by hospital patients who were eligible for~~
5 ~~free care, including a requirement that the Health Services Cost Review~~
6 ~~Commission, the Office of the Comptroller, and the Department of Human Services~~
7 ~~develop a process for identifying and informing patients who qualify for~~
8 ~~reimbursement and that hospitals reimburse certain patients; authorizing the Office~~
9 ~~of the Comptroller to share or disclose certain information under certain~~
10 ~~circumstances~~ requiring the Health Services Cost Review Commission, in
11 coordination with the Department of Human Services, the State designated
12 exchange, the Office of the Comptroller, and the Maryland Hospital Association, to
13 develop a process for identifying and reimbursing certain patients of hospitals;
14 requiring hospitals to implement the process under certain circumstances; and
15 generally relating to hospitals, financial assistance policies, and reimbursement for
16 paid bills.

17 ~~BY repealing and reenacting, with amendments,~~
18 ~~Article – Health – General~~
19 ~~Section 19-214.1(b)(1)~~
20 ~~Annotated Code of Maryland~~
21 ~~(2010 Replacement Volume and 2021 Supplement)~~

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 BY adding to
 2 Article – Health – General
 3 Section 19–214.4
 4 Annotated Code of Maryland
 5 (2019 Replacement Volume and 2021 Supplement)

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

8 **Article – Health – General**

9 ~~19–214.1.~~

10 ~~(b) (1) (i) The Commission shall require each acute care hospital and each~~
 11 ~~chronic care hospital in the State under the jurisdiction of the Commission to develop a~~
 12 ~~financial assistance policy for providing free and reduced cost care to patients who lack~~
 13 ~~health care coverage or whose health care coverage does not pay the full cost of the hospital~~
 14 ~~bill.~~

15 ~~(ii) IF NECESSARY TO MEET THE REQUIREMENTS OF THIS~~
 16 ~~SECTION, THE OFFICE OF THE COMPTROLLER MAY SHARE OR DISCLOSE RELEVANT~~
 17 ~~TAX INFORMATION.~~

18 **19–214.4.**

19 **(A) THE COMMISSION, IN COORDINATION WITH THE DEPARTMENT OF**
 20 **HUMAN SERVICES, THE STATE DESIGNATED EXCHANGE, THE OFFICE OF THE**
 21 **COMPTROLLER, AND THE MARYLAND HOSPITAL ASSOCIATION, SHALL DEVELOP A**
 22 **PROCESS THAT:**

23 **(1) IDENTIFIES THE PATIENTS WHO PAID FOR HOSPITAL SERVICES**
 24 **WHO MAY HAVE QUALIFIED FOR FREE CARE UNDER § 19–214.1 OF THIS SUBTITLE AT**
 25 **THE TIME OF CARE IN CALENDAR YEARS 2017, 2018, 2019, 2020, AND 2021;**

26 **(2) PROVIDES REIMBURSEMENT TO THE PATIENTS IDENTIFIED**
 27 **UNDER ITEM (1) OF THIS SUBSECTION;**

28 **(3) ENSURES THAT A PATIENT’S ALTERNATE ADDRESS IS USED IF THE**
 29 **PATIENT REQUESTED AN ALTERNATE ADDRESS FOR SAFETY REASONS; AND**

30 **(4) DETERMINES HOW THE COMMISSION, THE DEPARTMENT OF**
 31 **HUMAN SERVICES, AND THE OFFICE OF THE COMPTROLLER SHOULD SHARE WITH**
 32 **OR DISCLOSE RELEVANT INFORMATION, INCLUDING TAX INFORMATION, TO THE**
 33 **MINIMUM EXTENT NECESSARY, TO THE HOSPITAL AND IN ACCORDANCE WITH**

1 FEDERAL AND STATE CONFIDENTIALITY LAWS FOR THE PURPOSE OF CARRYING OUT
2 THE PROCESS DEVELOPED UNDER THIS SUBSECTION.

3 (B) (1) ON OR BEFORE JANUARY 1, 2023, AND JANUARY 1, 2024, THE
4 COMMISSION SHALL REPORT TO THE SENATE FINANCE COMMITTEE AND THE
5 HOUSE HEALTH AND GOVERNMENT OPERATIONS COMMITTEE, IN ACCORDANCE
6 WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, ON THE DEVELOPMENT AND
7 IMPLEMENTATION BY HOSPITALS OF THE PROCESS REQUIRED UNDER SUBSECTION
8 (A) OF THIS SECTION.

9 (2) IF THE PROCESS DEVELOPED UNDER SUBSECTION (A) OF THIS
10 SECTION REQUIRES LEGISLATION FOR IMPLEMENTATION, THE COMMISSION SHALL
11 INCLUDE THE LEGISLATIVE RECOMMENDATIONS IN THE REPORT REQUIRED ON OR
12 BEFORE JANUARY 1, 2023, UNDER PARAGRAPH (1) OF THIS SUBSECTION.

13 (3) IF THE PROCESS ESTABLISHED UNDER SUBSECTION (A) OF THIS
14 SECTION DOES NOT REQUIRE LEGISLATION, EACH HOSPITAL SHALL IMPLEMENT
15 THE PROCESS DEVELOPED UNDER SUBSECTION (A) OF THIS SECTION ON OR BEFORE
16 JANUARY 1, 2023.

17 ~~(A) IN THIS SECTION, "OFFICE" MEANS THE OFFICE OF THE~~
18 ~~COMPTROLLER.~~

19 ~~(B) THE PURPOSE OF THIS SECTION IS:~~

20 ~~(1) TO INFORM A PATIENT THAT THE PATIENT MAY HAVE QUALIFIED~~
21 ~~FOR FREE CARE UNDER § 19-214.1 OF THIS SUBTITLE AT THE TIME OF CARE AT A~~
22 ~~HOSPITAL REGULATED BY THE COMMISSION; AND~~

23 ~~(2) PROVIDE THE PATIENT WITH AN OPPORTUNITY TO OBTAIN~~
24 ~~REIMBURSEMENT FOR PAID SERVICES RECEIVED FROM THE HOSPITAL.~~

25 ~~(C) (1) (i) SUBJECT TO SUBSECTION (D) OF THIS SECTION, THE~~
26 ~~COMMISSION, THE OFFICE, AND THE DEPARTMENT OF HUMAN SERVICES SHALL~~
27 ~~DEVELOP A PROCESS TO IDENTIFY AND INFORM PATIENTS WHO MAY HAVE~~
28 ~~QUALIFIED FOR FREE CARE WHILE RECEIVING INPATIENT OR OUTPATIENT~~
29 ~~SERVICES FROM A HOSPITAL.~~

30 ~~(ii) TO ACCOMPLISH THE PURPOSE OF THIS SECTION, THE~~
31 ~~OFFICE MAY SHARE OR DISCLOSE RELEVANT TAX INFORMATION.~~

32 ~~(2) THE PROCESS TO IDENTIFY PATIENTS UNDER PARAGRAPH (1) OF~~
33 ~~THIS SUBSECTION SHALL INCLUDE:~~

~~(I) DATA SHARING BETWEEN THE COMMISSION AND THE OFFICE;~~

~~(II) PROTECTING PERSONAL INFORMATION;~~

~~(III) MATCHING PATIENT DATA FROM THE COMMISSION WITH TAX DATA FROM THE OFFICE; AND~~

~~(IV) ANALYZING THE MATCHED DATA TO DETERMINE A LIST OF PATIENTS WHO MAY BE ELIGIBLE FOR A REFUND FOR PAID CARE UNDER THIS SECTION.~~

~~(3) THE COMMISSION, THE OFFICE, AND THE DEPARTMENT OF HUMAN SERVICES SHALL MAKE A DETERMINATION THAT THE PATIENT WAS ELIGIBLE FOR FREE CARE AT THE TIME OF SERVICE BASED ON WHETHER:~~

~~(I) THE PATIENT'S INCOME WAS AT OR BELOW 200% OF THE FEDERAL POVERTY LEVEL; OR~~

~~(II) THE PATIENT WAS DETERMINED TO BE PRESUMPTIVELY ELIGIBLE UNDER § 2-214.1(b)(7) OF THIS TITLE.~~

~~(4) (I) 1. IF A PATIENT WAS DETERMINED TO BE ELIGIBLE FOR FREE CARE AND THE PATIENT'S INCOME WAS AT OR BELOW 200% OF THE FEDERAL POVERTY LEVEL, THE PATIENT SHALL BE NOTIFIED BY THE OFFICE BY FIRST CLASS MAIL IN THE FORM SPECIFIED UNDER SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH.~~

~~2. THE OFFICE SHALL SEND THE ELIGIBLE PATIENT A POSTCARD THAT:~~

~~A. INCLUDES THE OFFICIAL SEAL OF THE COMPTROLLER;~~

~~B. IS ON COLORED CARDSTOCK; AND~~

~~C. INCLUDES THE FOLLOWING STATEMENT:~~

~~“OUR RECORDS INDICATE THAT YOU PAID FOR CARE AT (HOSPITAL'S NAME) IN (YEAR), WERE ELIGIBLE FOR FREE CARE, AND MAY BE ENTITLED TO A REFUND. TO LEARN MORE, GO TO (COMMISSION'S WEBSITE). TO APPLY FOR A REFUND, GO TO (HOSPITAL'S WEBSITE), OR CALL (HOSPITAL'S PHONE NUMBER).”~~

~~3. THE STATEMENT REQUIRED TO BE INCLUDED ON THE POSTCARD UNDER SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH SHALL BE IN:~~

~~A. 12 POINT FONT; AND~~

~~B. EACH LANGUAGE SPOKEN BY THE POPULATION THAT CONSTITUTES AT LEAST 5% OF THE OVERALL POPULATION WITHIN THE COUNTY IN WHICH THE HOSPITAL IS LOCATED AS MEASURED BY THE MOST RECENT CENSUS.~~

~~(II) 1. IF A PATIENT WAS DETERMINED TO BE ELIGIBLE FOR FREE CARE AND THE PATIENT WAS DETERMINED TO BE PRESUMPTIVELY ELIGIBLE UNDER § 2-214.1(B)(7) OF THIS TITLE, THE PATIENT SHALL BE NOTIFIED BY THE DEPARTMENT OF HUMAN SERVICES BY FIRST CLASS MAIL IN THE FORM SPECIFIED UNDER SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH.~~

~~2. THE DEPARTMENT OF HUMAN SERVICES SHALL SEND THE ELIGIBLE PATIENT A POSTCARD THAT:~~

~~A. INCLUDES THE OFFICIAL SEAL OF THE DEPARTMENT OF HUMAN SERVICES;~~

~~B. IS ON COLORED CARDSTOCK; AND~~

~~C. INCLUDES THE FOLLOWING STATEMENT:~~

~~“OUR RECORDS INDICATE THAT YOU PAID FOR CARE AT (HOSPITAL’S NAME) IN (YEAR), WERE ELIGIBLE FOR FREE CARE, AND MAY BE ENTITLED TO A REFUND. TO LEARN MORE GO TO (COMMISSION’S WEBSITE). TO APPLY FOR A REFUND, GO TO (HOSPITAL’S WEBSITE), OR CALL (HOSPITAL’S PHONE NUMBER)”.~~

~~3. THE STATEMENT REQUIRED TO BE INCLUDED ON THE POSTCARD UNDER SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH SHALL BE IN:~~

~~A. 12 POINT FONT; AND~~

~~B. EACH LANGUAGE SPOKEN BY THE POPULATION THAT CONSTITUTES AT LEAST 5% OF THE OVERALL POPULATION WITHIN THE COUNTY IN WHICH THE HOSPITAL IS LOCATED AS MEASURED BY THE MOST RECENT CENSUS.~~

~~(III) THE LINKS IDENTIFIED ON THE POSTCARDS SENT UNDER THIS PARAGRAPH SHALL BE PROMINENTLY DISPLAYED ON THE MAIN PAGE OF THE COMMISSION’S WEBSITE AND ON EACH HOSPITAL’S WEBSITE.~~

~~(5) EACH HOSPITAL SHALL:~~

~~(i) CREATE A WEBPAGE THAT INCLUDES:~~

~~1. INFORMATION ABOUT REFUNDS FOR CHARGES PAID IF THE PATIENT QUALIFIED FOR FREE CARE AT THE TIME OF SERVICE;~~

~~2. A PROCESS TO APPLY FOR A REFUND, INCLUDING RELEVANT TIMELINES FOR APPLYING FOR A REFUND; AND~~

~~3. A DESIGNATED SINGLE POINT OF CONTACT AT THE HOSPITAL, INCLUDING THE CONTACT'S NAME, E-MAIL ADDRESS, AND TELEPHONE NUMBER.~~

~~(ii) WHEN CONTACTED BY A PATIENT WHO RECEIVED WRITTEN NOTIFICATION FROM THE OFFICE OR THE DEPARTMENT OF HUMAN SERVICES:~~

~~1. DETERMINE WHETHER THE PATIENT PAID A BILL DURING THE DESIGNATED YEAR AND WAS NOT DISQUALIFIED FROM FREE CARE BASED ON THE USE OF AN ASSET TEST UNDER § 19-214.1(B)(8) OF THIS TITLE; AND~~

~~2. IF THE PATIENT PAID A BILL AND WAS NOT DISQUALIFIED, REIMBURSE THE PATIENT FOR THE AMOUNT THE PATIENT PAID FOR CARE OUT OF POCKET.~~

~~(6) (i) THE COMMISSION MAY NOT RAISE HOSPITAL RATES, AS PART OF THE ANNUAL UPDATE FACTOR, TO OFFSET THE HOSPITAL'S DIRECT REFUNDS TO PATIENTS UNDER PARAGRAPH (5) OF THIS SUBSECTION.~~

~~(ii) 1. EACH HOSPITAL SHALL REIMBURSE THE COMMISSION, THE OFFICE, AND THE DEPARTMENT OF HUMAN SERVICES FOR THE COSTS INCURRED IN COMPLYING WITH THIS SECTION.~~

~~2. REIMBURSEMENT FROM A HOSPITAL UNDER THIS SUBPARAGRAPH SHALL BE BASED ON THE NUMBER OF PATIENTS IN THE DESIGNATED YEAR THAT WERE BILLED BY THE HOSPITAL, AS DETERMINED BY THE COMMISSION.~~

~~(d) (1) (i) BEGINNING JULY 1, 2022, THE COMMISSION SHALL IMPLEMENT THE PROCESS DEVELOPED UNDER SUBSECTION (C) OF THIS SECTION FOR PATIENTS WHO RECEIVED CARE DURING CALENDAR YEARS 2017 AND 2018.~~

1 ~~(H) ON OR BEFORE JULY 1, 2023, THE COMMISSION SHALL~~
 2 ~~DETERMINE, OF THE NUMBER OF PATIENTS WHO RECEIVED CARE DURING~~
 3 ~~CALENDAR YEARS 2017 AND 2018 AND WERE SENT WRITTEN NOTIFICATION UNDER~~
 4 ~~THIS SECTION, THE TOTAL NUMBER OF PATIENTS WHO CONTACTED EACH HOSPITAL.~~

5 ~~(2) IF THE TOTAL NUMBER OF PATIENTS WHO CONTACTED EACH~~
 6 ~~HOSPITAL, AS DETERMINED UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION, WAS~~
 7 ~~AT LEAST 5% OF THOSE WHO RECEIVED THE WRITTEN NOTICE, BEGINNING ON JULY~~
 8 ~~1, 2023, THE COMMISSION SHALL IMPLEMENT THE PROCESS DEVELOPED UNDER~~
 9 ~~SUBSECTION (C) OF THE SECTION FOR PATIENTS WHO RECEIVED CARE DURING~~
 10 ~~CALENDAR YEARS 2019, 2020, AND 2021.~~

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
 12 1, 2022. It shall remain effective for a period of ~~5~~ 2 years and, at the end of June 30, ~~2027~~
 13 ~~2024~~, this Act, with no further action required by the General Assembly, shall be abrogated
 14 and of no further force and effect.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.