

## Chapter 733

## (House Bill 933)

AN ACT concerning

**Nursing Homes – ~~Direct Care Wages and Benefits~~ and Cost Reports**

FOR the purpose of requiring ~~a nursing home to expend at least a certain percentage of its total nursing and residential care revenue for direct care wages and benefits; requiring nursing homes to annually submit a certain cost report to the Maryland Department of Health to review the cost reports and other data submitted by each nursing home that participates in the Maryland Medical Assistance Program; and generally relating to nursing homes.~~

~~BY adding to~~~~Article — Health — General~~~~Section 16-209 and 16-210~~~~Annotated Code of Maryland~~~~(2023 Replacement Volume and 2024 Supplement)~~

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

**~~Article — Health — General~~****~~16-209.~~**

~~(A) IN THIS SECTION, “DIRECT CARE WAGES AND BENEFITS” MEANS THE DIRECT CARE WORKFORCE WAGES AND BENEFITS FOR NURSING, DIETARY, RESTORATIVE THERAPY, AND SOCIAL WORKER STAFF.~~

~~(B) A NURSING HOME SHALL EXPEND AT LEAST 75% OF ITS TOTAL NURSING AND RESIDENTIAL CARE REVENUE FOR DIRECT CARE WAGES AND BENEFITS.~~

**~~16-210.~~**

~~(A) ON OR BEFORE SEPTEMBER 1 EACH YEAR, BEGINNING IN 2026, EACH NURSING HOME SHALL SUBMIT TO THE DEPARTMENT A COST REPORT IN THE FORM AND MANNER REQUIRED BY THE DEPARTMENT.~~

~~(B) THE COST REPORT REQUIRED UNDER SUBSECTION (A) OF THIS SECTION SHALL:~~

~~(1) INCLUDE:~~

~~(I) DOCUMENTATION OF WAGE DISBURSEMENT; AND~~

~~(II) ANY OTHER INFORMATION THE DEPARTMENT DETERMINES IS APPROPRIATE; AND~~

~~(2) BE SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE NURSING HOME UNDER PENALTY OF PERJURY.~~

~~(C) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE DEPARTMENT MAY TAKE APPROPRIATE ENFORCEMENT ACTION AGAINST A NURSING HOME IF THE NURSING HOME:~~

~~(I) FAILS TO SUBMIT A COST REPORT AS REQUIRED;~~

~~(II) SUBMITS AN INACCURATE, INCOMPLETE, OR INVALID COST REPORT; OR~~

~~(III) FAILS TO PAY THE WAGES IN THE AMOUNT REQUIRED.~~

~~(2) THE ENFORCEMENT ACTION THAT THE DEPARTMENT MAY TAKE UNDER PARAGRAPH (1) OF THIS SUBSECTION INCLUDES:~~

~~(I) RECOUPMENT BY THE DEPARTMENT OF FUNDING RESULTING FROM THE REIMBURSEMENT RATE INCREASE PROVIDED FOR UNDER § 16-201.4(B) OF THIS SUBTITLE;~~

~~(II) IMPOSITION OF A CORRECTIVE PLAN; OR~~

~~(III) SUSPENSION OR TERMINATION FROM THE PROGRAM.~~

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

That:

(a) The Maryland Department of Health shall review the cost reports and other data submitted by each nursing home that participates in the Maryland Medical Assistance Program, including data related to revenues allocated to:

(1) contracted nursing care services; and

(2) salaries and wages of all direct care nonadministrative staff, including:

(i) certified nurse aides;

(ii) directors of nurses;

(iii) licensed practical nurses;

(iv) noncertified or resident care aides;

(v) registered nurses;

(vi) housekeepers;

(vii) dietary workers; and

(viii) in-house clerical staff who regularly interact with residents, Maryland Medical Assistance Program recipients, and caregivers.

(b) On or before October 1, 2025, and on or before October 1 each year thereafter through 2029, the Maryland Department of Health shall report the findings resulting from the review conducted under subsection (a) of this section to the Governor and, in accordance with § 2-1257 of the State Government Article, the Senate Finance Committee and the House Health and Government Operations Committee.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2025.

**Approved by the Governor, May 20, 2025.**