

SENATOR DELORES G. KELLEY
Legislative District 10
Baltimore County

Chair
Finance Committee

Executive Nominations Committee
Rules Committee
Legislative Policy Committee



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TESTIMONY OF SENATOR DELORES G. KELLEY

REGARDING SENATE BILL 774-HOSPITALS-COMMUNITY BENEFITS

BEFORE THE SENATE FINANCE COMMITTEE

ON MARCH 5, 2020

Mr. Vice-chairman and Members:

Senate Bill 774 address the requirement that non-profit hospitals devote funds to the benefit of the communities in which they serve. Currently, hospitals in Maryland spend 1.6 billion dollars on community benefits. However, standards for how those funds are to be spent are uneven, with each hospital complying with the requirement in a different manner.

I brought together all of the various stakeholders to see if we could create consensus legislation that would improve the process. SB 774 is the product of an agreement, with a set of amendments, by the following stakeholders:

- **The Health Services Cost Review Commission**
- **The Maryland Association of Local Health Officers**
- **The Maryland Department of Health**
- **1199 SEIU/United Health Care Workers and**
- **The Maryland Hospital Association**

I am very grateful to these stakeholders for their willingness to comprise.

Senate Bill 774, as amended, will strengthen reporting requirements and provide local health officers and the Maryland Department of Health with input into how hospitals' community benefit contributions will be evaluated. This Bill will also seek to align hospitals' community benefits expenditures with the community health needs assessment so that the funds are focused on achieving results.

I, therefore, ask that you give SB 774 a favorable report.