

# HOUSE BILL 328

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By: **Delegates Lopez, Taveras, Allen, Boaf, Charkoudian, Cullison,  
Palakovich Carr, and Shetty**

Introduced and read first time: January 15, 2024

Assigned to: Health and Government Operations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Hospitals – Financial Assistance Policies – Revisions**

3 FOR the purpose of altering the required contents of a hospital's financial assistance policy  
4 by removing the requirement that the provision of reduced-cost medically necessary  
5 care and payment plans be in accordance with the mission and service area of the  
6 hospital; prohibiting hospitals from considering a household's monetary assets in  
7 determining eligibility for free and reduced-cost care under the hospital's financial  
8 assistance policy, rather than allowing hospitals to consider certain household  
9 monetary assets; and generally relating to hospitals and financial assistance policies.

10 BY repealing and reenacting, without amendments,  
11 Article – Health – General  
12 Section 19–214.1(b)(1)  
13 Annotated Code of Maryland  
14 (2023 Replacement Volume)

15 BY repealing and reenacting, with amendments,  
16 Article – Health – General  
17 Section 19–214.1(b)(2) and (8)  
18 Annotated Code of Maryland  
19 (2023 Replacement Volume)

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

22 **Article – Health – General**

23 19–214.1.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

5 (2) The financial assistance policy shall provide, at a minimum:

6 (i) Free medically necessary care to patients with family income at  
7 or below 200% of the federal poverty level, calculated at the time of service or updated, as  
8 appropriate, to account for any change in financial circumstances of the patient that occurs  
9 within 240 days after the initial hospital bill is provided;

10 (ii) Reduced-cost medically necessary care to low-income patients  
11 with family income above 200% of the federal poverty level, calculated at the time of service  
12 or updated, as appropriate, to account for any change in financial circumstances of the  
13 patient that occurs within 240 days after the initial hospital bill is provided[, in accordance  
14 with the mission and service area of the hospital];

15 (iii) A payment plan that is available to uninsured patients with  
16 family income between 200% and 500% of the federal poverty level[, in accordance with the  
17 mission and service area of the hospital]; and

18 (iv) A mechanism for a patient to request the hospital to reconsider  
19 the denial of free or reduced-cost care that includes in the request:

20 1. The Health Education and Advocacy Unit is available to  
21 assist the patient or the patient's authorized representative in filing and mediating a  
22 reconsideration request; and

23 2. The address, phone number, facsimile number, e-mail  
24 address, mailing address, and website of the Health Education and Advocacy Unit.

25 (8) [(i)] A hospital may **NOT** consider household monetary assets in  
26 determining eligibility for free and reduced-cost care under the hospital's financial  
27 assistance policy [in addition to income-based criteria].

28 [(ii)] Subject to subparagraph (iii) of this paragraph, if a hospital  
29 considers household monetary assets under subparagraph (i) of this paragraph, the  
30 following types of monetary assets that are convertible to cash shall be excluded:

31 1. At a minimum, the first \$10,000 of monetary assets;

32 2. A safe harbor equity of \$150,000 in a primary residence;

33 3. Retirement assets that the Internal Revenue Service has  
34 granted preferential tax treatment as a retirement account, including

1 deferred-compensation plans qualified under the Internal Revenue Code or nonqualified  
2 deferred-compensation plans;

3                                   4.     One motor vehicle used for the transportation needs of the  
4 patient or any family member of the patient;

5                                   5.     Any resources excluded in determining financial eligibility  
6 under the Medical Assistance Program under the Social Security Act; and

7                                   6.     Prepaid higher education funds in a Maryland 529  
8 Program account.

9                                   (iii)   Monetary assets excluded from the determination of eligibility  
10 for free and reduced-cost care under subparagraph (ii) of this paragraph shall be adjusted  
11 annually for inflation in accordance with the Consumer Price Index.]

12           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
13 October 1, 2024.