

HOUSE BILL 1123

J3, S2

4lr3299
CF 4lr2135

By: **Delegate Kerr**

Introduced and read first time: February 7, 2024

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Health Care Commission – Health Care Facilities – Cybersecurity for**
3 **Hospitals**

4 FOR the purpose of requiring the Maryland Health Care Commission to adopt minimum
5 cybersecurity standards for hospitals and take certain other actions related to the
6 cybersecurity of hospitals, including supporting hospitals that do not meet the
7 minimum cybersecurity standards; requiring hospitals to comply with the
8 cybersecurity standards adopted by the Commission; requiring the Secretary of
9 Health to consider cybersecurity standards for hospitals when issuing a license to a
10 hospital; and generally relating to cybersecurity for hospitals.

11 BY repealing and reenacting, with amendments,
12 Article – Health – General
13 Section 19–103
14 Annotated Code of Maryland
15 (2023 Replacement Volume)

16 BY adding to
17 Article – Health – General
18 Section 19–113
19 Annotated Code of Maryland
20 (2023 Replacement Volume)

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

23 **Article – Health – General**

24 19–103.

25 (a) There is a Maryland Health Care Commission.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (b) The Commission is an independent commission that functions in the
2 Department.

3 (c) The purpose of the Commission is to:

4 (1) Develop health care cost containment strategies to help provide access
5 to appropriate quality health care services for all Marylanders, after consulting with the
6 Health Services Cost Review Commission;

7 (2) Promote the development of a health regulatory system that provides,
8 for all Marylanders, financial and geographic access to quality health care services at a
9 reasonable cost by:

10 (i) Advocating policies and systems to promote the efficient delivery
11 of and improved access to health care services; and

12 (ii) Enhancing the strengths of the current health care service
13 delivery and regulatory system;

14 (3) Facilitate the public disclosure of medical claims data for the
15 development of public policy;

16 (4) Establish and develop a medical care database on health care services
17 rendered by health care practitioners;

18 (5) Encourage the development of clinical resource management systems
19 to permit the comparison of costs between various treatment settings and the availability
20 of information to consumers, providers, and purchasers of health care services;

21 (6) In accordance with Title 15, Subtitle 12 of the Insurance Article,
22 develop a uniform set of effective benefits to be included in the Comprehensive Standard
23 Health Benefit Plan;

24 (7) Analyze the medical care database and provide, in aggregate form, an
25 annual report on the variations in costs associated with health care practitioners;

26 (8) Ensure utilization of the medical care database as a primary means to
27 compile data and information and annually report on trends and variances regarding fees
28 for service, cost of care, regional and national comparisons, and indications of malpractice
29 situations;

30 (9) Establish standards for the operation and licensing of medical care
31 electronic claims clearinghouses in Maryland;

32 (10) Reduce the costs of claims submission and the administration of claims
33 for health care practitioners and payors;

1 (11) Determine the cost of mandated health insurance services in the State
2 in accordance with Title 15, Subtitle 15 of the Insurance Article;

3 (12) Promote the availability of information to consumers on charges by
4 practitioners and reimbursements from payors;

5 (13) Oversee and administer the Maryland Trauma Physician Services
6 Fund in conjunction with the Health Services Cost Review Commission; [and]

7 (14) Establish policies and standards to protect the confidentiality of patient
8 and health care practitioner information related to legally protected health care as defined
9 in § 4-301 of this article; AND

10 **(15) ESTABLISH AND ENFORCE CYBERSECURITY STANDARDS AND**
11 **PRACTICES FOR HEALTH CARE FACILITIES.**

12 (d) The Commission shall coordinate the exercise of its functions with the
13 Department and the Health Services Cost Review Commission to ensure an integrated,
14 effective health care policy for the State.

15 **19-113.**

16 **(A) IN THIS SECTION, “HOSPITAL” HAS THE MEANING STATED IN § 19-301**
17 **OF THIS TITLE.**

18 **(B) THE COMMISSION SHALL:**

19 **(1) ADOPT MINIMUM CYBERSECURITY STANDARDS FOR HOSPITALS**
20 **THAT:**

21 **(I) PROTECT PRIVATE DATA, SUCH AS PATIENT AND EMPLOYEE**
22 **RECORDS, HELD BY THE HOSPITAL;**

23 **(II) ENABLE A HOSPITAL TO MAINTAIN ROUTINE FUNCTIONS;**
24 **AND**

25 **(III) ARE CONSISTENT WITH THE NATIONAL INSTITUTE OF**
26 **STANDARDS AND TECHNOLOGY AND CYBERSECURITY AND INFRASTRUCTURE**
27 **SECURITY AGENCY RECOMMENDATIONS FOR HOSPITALS;**

28 **(2) REVIEW AND REVISE THE STANDARDS SET UNDER ITEM (1) OF**
29 **THIS SUBSECTION ON A REGULAR BASIS;**

1 **(3) PARTICIPATE IN OPPORTUNITIES TO LEARN ABOUT HOSPITAL**
2 **CYBERSECURITY FROM EXPERT ENTITIES;**

3 **(4) LEARN FROM THE EXPERIENCES OF GOVERNMENT AGENCIES IN**
4 **OTHER STATES THAT SET MINIMUM CYBERSECURITY STANDARDS FOR HOSPITALS;**

5 **(5) PROVIDE FOR THIRD-PARTY ASSESSMENTS OF HOSPITALS FOR**
6 **COMPLIANCE WITH MINIMUM CYBERSECURITY STANDARDS;**

7 **(6) ON OR BEFORE JANUARY 1, 2026, AND EVERY 2 YEARS**
8 **THEREAFTER:**

9 **(I) COLLECT CERTIFICATIONS OF A HOSPITAL'S COMPLIANCE**
10 **WITH THE MINIMUM CYBERSECURITY STANDARDS ADOPTED UNDER ITEM (1) OF**
11 **THIS SUBSECTION; AND**

12 **(II) SUBMIT A REPORT TO THE STATE CHIEF INFORMATION**
13 **SECURITY OFFICER, OR THE OFFICER'S DESIGNEE; AND**

14 **(7) SUPPORT HOSPITALS THAT DO NOT MEET THE MINIMUM**
15 **CYBERSECURITY STANDARDS ADOPTED UNDER ITEM (1) OF THIS SUBSECTION TO**
16 **REMEDiate VULNERABILITIES OR ADDRESS CYBERSECURITY ASSESSMENT**
17 **FINDINGS.**

18 **(C) EACH HOSPITAL SHALL:**

19 **(1) (I) COMPLY WITH THE CYBERSECURITY STANDARDS ADOPTED**
20 **UNDER SUBSECTION (B)(1) OF THIS SECTION; AND**

21 **(II) SUBMIT A CERTIFICATION OF COMPLIANCE WITH THE**
22 **STANDARDS AS DIRECTED BY THE COMMISSION;**

23 **(2) DESIGNATE A CHIEF INFORMATION SECURITY OFFICER TO**
24 **OVERSEE COMPLIANCE WITH THE REQUIREMENTS OF THIS SECTION;**

25 **(3) IMMEDIATELY REPORT A CYBERSECURITY INCIDENT TO THE**
26 **COMMISSION, RELEVANT LAW ENFORCEMENT AGENCIES, AND HOSPITAL**
27 **ADMINISTRATORS;**

28 **(4) MAINTAIN A CYBERSECURITY INCIDENT RESPONSE PLAN AND**
29 **TEST THE PLAN AT LEAST ANNUALLY; AND**

30 **(5) MAINTAIN A MOBILE DEVICE MANAGEMENT PROGRAM THAT:**

1 **(I) IS CONSISTENT WITH FEDERAL GUIDANCE;**

2 **(II) INCLUDES AN ENTERPRISE MOBILE PLATFORM; AND**

3 **(III) INCLUDES A MOBILE THREAT DEFENSE PROGRAM.**

4 **(D) THE SECRETARY SHALL CONSIDER THE STANDARDS ADOPTED UNDER**
5 **THIS SECTION WHEN ISSUING A LICENSE TO A HOSPITAL.**

6 SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General
7 Assembly that the Maryland Health Care Commission work with the Cybersecurity and
8 Infrastructure Security Agency and the Office of Security Management to improve the
9 Commission's capacity to implement the provisions of this Act.

10 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
11 October 1, 2024.