

**Department of Legislative Services**  
Maryland General Assembly  
2024 Session

**FISCAL AND POLICY NOTE**  
**Third Reader - Revised**

House Bill 938

(Delegate Crosby, *et al.*)

Health and Government Operations

Finance

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**State–Owned Nursing Homes – Deficiencies, Citations, and Fines – Reporting Requirements**

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This bill requires the department charged with oversight of a State-owned nursing home operated by a contractor to provide notice of a deficiency or enforcement action by a monitoring agency. Notice must be provided to the Governor, specified members of the General Assembly, and the local governing body of the county in which the nursing home is located within 15 days after the final survey finding. Within 30 days after the contractor’s final acceptance of a plan of correction or completion of an informal dispute resolution, the department charged with oversight of the nursing home must provide the Governor and specified members of the General Assembly with a statement of the deficiencies, the plan of correction or results of the informal dispute resolution, and all communications from the monitoring agency regarding survey activities. The bill also expands the definition of “monitoring agency” to include the Maryland Department of Labor, a local health department, the U.S. Department of Veterans Affairs, or the federal Occupational Safety and Health Administration.

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**Fiscal Summary**

**State Effect:** The bill’s requirements can be handled with existing budgeted resources. Revenues are not affected.

**Local Effect:** The bill is not expected to materially affect local finances or operations.

**Small Business Effect:** None.

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## Analysis

### Current Law:

#### *State-owned Nursing Home Requirements*

Chapter 106 of 2023 (an emergency bill) required a contractor operating a State-owned nursing home to promptly provide notice of a deficiency or enforcement action by a monitoring agency to (1) the Governor; (2) the State agency overseeing the nursing home; and (3) the Senate Finance Committee, the House Health and Government Operations Committee, and the members of the General Assembly who represent the district in which the nursing home is located. Within 30 days after receiving a citation or fine from a monitoring agency, the contractor must also provide a statement of the deficiencies found by the monitoring agency, a plan of correction, and all communications from the monitoring agency regarding survey activities conducted at the nursing home.

By January 1 each year, the Maryland Department of Health (MDH) must report to the Governor and the General Assembly on all federal and State survey activities conducted and enforcement actions imposed during the immediately preceding 12-month period at each State-owned nursing home that is operated by a contractor.

#### *Office of Health Care Quality*

The Office of Health Care Quality (OHCQ) generally makes an unannounced site visit and conducts a full survey of each licensed nursing home at least once per year. After a nursing home complaint alleging actual harm, OHCQ must initiate an investigation within 10 business days. If MDH receives a complaint alleging immediate jeopardy to a resident, it must make every effort to investigate the complaint within 24 hours, and no later than 48 hours, after receiving the complaint.

#### *Charlotte Hall Veterans Home*

The Maryland Department of Veterans Affairs (MDVA) manages one veterans home, Charlotte Hall Veterans Home (CHVH) in St. Mary's County. CHVH provides assisted living and skilled nursing care for eligible veterans and their spouses who are either unable to care for themselves because of a disability or advancing age, or who have requirements for nursing home care. Clinical care and health care management at CHVH are provided by a private contractor but are overseen by MDVA staff. The facility is Medicare and Medicaid certified and is inspected annually.

**Additional Comments:** MDH advises that there were 225 licensed nursing homes in the State in fiscal 2023, and only one State-owned nursing home was operated by a contractor: CHVH in St. Mary's County.

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### **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** SB 712 (Senator Bailey) - Finance.

**Information Source(s):** Maryland Association of County Health Officers; Maryland Department of Health; Maryland Department of Labor; Department of Veterans Affairs; Department of Legislative Services

**Fiscal Note History:** First Reader - February 21, 2024  
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