

BY: Delegate Mossburg

AMENDMENTS TO HOUSE BILL NO. 344  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 6, before “and” insert “requiring the Commission to conform to certain standards of conduct; prohibiting the Commission from performing certain activities; requiring the Commission to make a certain assessment;”; and after line 12, insert:

“BY adding to

Article - Health - General

Section 19-217(c) and (d)

Annotated Code of Maryland

(1996 Replacement Volume and 1997 Supplement)”.

AMENDMENT NO. 2

On page 2, before line 12, insert:

“(C) (1) A HOSPITAL REGULATED BY THE COMMISSION, WHICH RECEIVES APPROVAL TO CHARGE BELOW COMMISSION-APPROVED RATES FOR HOSPITAL OUTPATIENT SURGICAL SERVICES SHALL CONFORM TO THE FOLLOWING STANDARDS OF CONDUCT IN ALL BUSINESS TRANSACTIONS, AND ACTIVITIES INCLUDING, BUT NOT LIMITED TO:

(I) MAINTAINING A SEPARATE CORPORATE STRUCTURE FOR ITS OUTPATIENT SURGICAL FACILITY;

(II) MAINTAINING SEPARATE BOOKS AND RECORDS THAT SHALL BE MADE AVAILABLE TO THE COMMISSION AND INTERESTED PARTIES UPON REQUEST; AND

(Over)

(III) OWNING AND MAINTAINING SEPARATE ASSETS, INFORMATION SYSTEMS, AND OTHER GOODS AND EQUIPMENT USED TO CONDUCT BUSINESS.

(2) A HOSPITAL OWNING OR OPERATING AN OUTPATIENT SURGICAL FACILITY WHICH CHARGES BELOW COMMISSION-APPROVED RATES MAY NOT:

(I) CONDUCT JOINT PROMOTIONS WITH THE OUTPATIENT SURGICAL FACILITY; OR

(II) ARRANGE, GUARANTEE, OR PROVIDE FINANCING TO ITS OUTPATIENT SURGICAL FACILITY IN ORDER FOR THE OUTPATIENT SURGICAL FACILITY TO PURCHASE GOODS, PRODUCTS, OR EQUIPMENT.

(3) ALL PERMITTED TRANSACTIONS BETWEEN A HOSPITAL AND AN OUTPATIENT SURGICAL FACILITY OWNED OR OPERATED BY THE HOSPITAL SHALL BE RECORDED ACCORDING TO REGULATIONS ESTABLISHED BY THE COMMISSION.

(D) (1) THE COMMISSION SHALL ANNUALLY CONDUCT A COMPLIANCE AUDIT OF THE HOSPITAL AND OUTPATIENT SURGICAL FACILITY.

(2) INDEPENDENT COMPLIANCE AUDITS FOR HOSPITALS AND OUTPATIENT SURGICAL FACILITIES SHALL BE CONDUCTED ONCE EVERY 3 YEARS.”;

in line 12, after “That” insert “if a hospital deregulates the outpatient surgical facility in accordance with § 19-217(B)(2) of the Health - General Article, the Commission shall calculate the amount of State and local property taxes, both real and personal, as well as sales taxes on medical equipment which would have been paid in the preceding three fiscal years had the facility maintained a for-profit status, and that amount shall be assessed against the hospital which owns or operates a deregulated ambulatory surgical facility to be paid to the State Comptroller’s Office.”

SECTION 3. AND BE IT FURTHER ENACTED, That”.