
By: **Chairman, Environmental Matters Committee (Departmental - Health and Mental Hygiene)**

Introduced and read first time: February 3, 1999

Assigned to: Environmental Matters

Committee Report: Favorable

House action: Adopted

Read second time: March 16, 1999

CHAPTER _____

1 AN ACT concerning

2 **Health Services Cost Review Commission - Abrogation Date and User Fees**

3 FOR the purpose of repealing a certain abrogation date relating to the funding of the
4 Health Services Cost Review Commission; altering the maximum amount of
5 user fees the Commission may assess; and generally relating to the Health
6 Services Cost Review Commission.

7 BY repealing and reenacting, with amendments,
8 Article - Health - General
9 Section 19-207.1
10 Annotated Code of Maryland
11 (1996 Replacement Volume and 1998 Supplement)

12 BY repealing and reenacting, with amendments,
13 Chapter 319 of the Acts of the General Assembly of 1995, as amended by
14 Chapter 238 of the Acts of the General Assembly of 1997
15 Section 2

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

18 **Article - Health - General**

19 19-207.1.

20 (a) (1) In this section the following words have the meanings indicated.

1 (2) "Facilities" means hospitals and related institutions whose rates
2 have been approved by the Commission.

3 (b) The Commission shall assess and collect user fees on facilities as defined
4 in this section.

5 (c) (1) The total user fees assessed by the Commission may not exceed
6 [\$3,000,000] \$3,500,000 in any fiscal year.

7 (2) The total user fees assessed by the Commission may not exceed the
8 Special Fund appropriation for the Commission by more than 20%.

9 (3) The user fees assessed by the Commission shall be used exclusively
10 to cover the actual documented direct and indirect costs of fulfilling the statutory and
11 regulatory duties of the Commission in accordance with the provisions of this subtitle.

12 (4) The Commission shall pay all funds collected from fees assessed in
13 accordance with this section into the Health Services Cost Review Commission Fund.

14 (5) The user fees assessed by the Commission may be expended only for
15 purposes authorized by the provisions of this subtitle.

16 (d) (1) There is a Health Services Cost Review Commission Fund.

17 (2) The Fund is a special continuing, nonlapsing fund that is not subject
18 to § 7-302 of the State Finance and Procurement Article.

19 (3) The Treasurer shall separately hold, and the Comptroller shall
20 account for, the Fund.

21 (4) The Fund shall be invested and reinvested in the same manner as
22 other State funds.

23 (5) Any investment earnings shall be retained to the credit of the Fund.

24 (6) The Fund shall be subject to an audit by the Office of Legislative
25 Audits as provided for in § 2-1220 of the State Government Article.

26 (7) This section may not be construed to prohibit the Fund from
27 receiving funds from any other source.

28 (8) The Fund shall be used only to provide funding for the Commission
29 and for the purposes authorized under this subtitle.

30 (e) The Commission shall:

31 (1) Assess user fees for each facility equal to the sum of:

32 (i) The amount equal to one half of the total user fees times the
33 ratio of admissions of the facility to total admissions of all facilities; and

1 (ii) The amount equal to one half of the total user fees times the
2 ratio of gross operating revenue of each facility to total gross operating revenues of all
3 facilities;

4 (2) Establish minimum and maximum assessments; and

5 (3) Assess each facility on or before June 30 of each year.

6 (f) On or before September 1 of each year, each facility assessed under this
7 section shall make payment to the Commission. The Commission shall make
8 provision for partial payments.

9 (g) Any bill not paid within 30 days of an agreed payment date may be subject
10 to an interest penalty to be determined by the Commission.

11 (h) (1) This section shall terminate and be of no effect on the first day of July
12 following the cessation of a waiver by law or agreement for Medicare and Medicaid
13 between the State of Maryland and the federal government.

14 (2) If notice of intent to terminate is made by the federal government to
15 this State prior to the first day of an intervening session of the Maryland General
16 Assembly, this section shall expire June 30 of the following calendar year. However,
17 under no circumstances shall less than seven calendar months occur between notice
18 of termination and expiration of this section.

19 **Chapter 319 of the Acts of 1995, as amended by Chapter 238 of the Acts of**
20 **1997**

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
22 effect July 1, 1995. [It shall remain effective for a period of 5 years and, at the end of
23 June 30, 2000, and with no further action required by the General Assembly, this Act
24 shall be abrogated and of no further force and effect.]

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
26 effect October 1, 1999.