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

Introduced and read first time: February 1, 2001

Assigned to: Environmental Matters

Committee Report: Favorable

House action: Adopted

Read second time: March 7, 2001

CHAPTER _____

1 AN ACT concerning

2 **Hospitals and Residential Treatment Centers - Inspections and Oversight**

3 FOR the purpose of requiring certain hospitals and certain residential treatment
4 centers to be subject to inspections by the Department of Health and Mental
5 Hygiene under certain circumstances; authorizing the Secretary of Health and
6 Mental Hygiene to impose certain penalties on hospitals or residential
7 treatment centers when certain conditions are not satisfied; requiring the
8 Secretary to consider certain factors prior to imposing certain penalties on
9 hospitals or residential treatment centers; making stylistic changes; and
10 generally relating to inspections of hospitals and residential treatment centers.

11 BY repealing and reenacting, without amendments,
12 Article - Health - General
13 Section 19-308(b)(1)
14 Annotated Code of Maryland
15 (2000 Replacement Volume)

16 BY repealing and reenacting, with amendments,
17 Article - Health - General
18 Section 19-308(b)(2) and 19-360
19 Annotated Code of Maryland
20 (2000 Replacement Volume)

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

1 **Article - Health - General**

2 19-308.

3 (b) (1) To assure compliance with the standards adopted under this subtitle,
4 the Secretary shall have an inspection made:5 (i) Of each related institution, each nonaccredited hospital, and
6 each nonaccredited residential treatment center for which a license is sought; and7 (ii) Periodically of each related institution, each nonaccredited
8 hospital, and each nonaccredited residential treatment center for which a license has
9 been issued.10 (2) An accredited hospital and an accredited residential treatment center
11 shall be subject to inspections under this subtitle by the Department [for] TO:12 (i) [A complaint investigation] INVESTIGATE A COMPLAINT in
13 accordance with § 19-309 of this part; [or]14 (ii) [Reviewing] REVIEW compliance with a written progress report
15 or other documentation of corrective action in response to a focused survey submitted
16 by the hospital or residential treatment center to the Joint Commission on
17 Accreditation of Healthcare Organizations in response to a Type I finding that the
18 hospital or residential treatment center is only in partial compliance with the patient
19 care standards established by the Joint Commission on Accreditation of Healthcare
20 Organizations; OR21 (III) MONITOR CORRECTIVE ACTION, IN ACCORDANCE WITH § 19-360
22 OF THIS SUBTITLE, FOR ANY SERIOUS OR LIFE-THREATENING PATIENT CARE
23 DEFICIENCY IDENTIFIED BY THE JOINT COMMISSION ON ACCREDITATION OF
24 HEALTHCARE ORGANIZATIONS, THE HEALTH CARE FINANCING ADMINISTRATION, OR
25 THE DEPARTMENT.

26 19-360.

27 (a) This section applies to:

28 (1) Nonaccredited hospitals found in violation of the standards adopted
29 under this subtitle; [and]

30 (2) Accredited hospitals:

31 (I) [found] FOUND deficient as a result of the complaint review
32 process; OR33 (II) SUBJECT TO INSPECTION BY THE DEPARTMENT UNDER §
34 19-308(B)(2) OF THIS SUBTITLE AS A RESULT OF A SERIOUS OR LIFE-THREATENING
35 PATIENT CARE DEFICIENCY IDENTIFIED BY THE JOINT COMMISSION ON

1 ACCREDITATION OF HEALTHCARE ORGANIZATIONS, THE HEALTH CARE FINANCING
2 ADMINISTRATION, OR THE DEPARTMENT; AND

3 (3) ACCREDITED RESIDENTIAL TREATMENT CENTERS SUBJECT TO
4 INSPECTION BY THE DEPARTMENT UNDER § 19-308(B)(2) OF THIS SUBTITLE AS A
5 RESULT OF A SERIOUS OR LIFE-THREATENING PATIENT CARE DEFICIENCY
6 IDENTIFIED BY THE JOINT COMMISSION ON ACCREDITATION OF HEALTHCARE
7 ORGANIZATIONS, THE HEALTH CARE FINANCING ADMINISTRATION, OR THE
8 DEPARTMENT.

9 (b) (1) If conditions are found to be detrimental to patient health, safety, or
10 welfare, the Department shall allow the hospital OR RESIDENTIAL TREATMENT
11 CENTER 30 days to address the deficiencies in other than SERIOUS OR
12 life-threatening situations.

13 (2) If corrections cannot be completed within the 30-day period, the
14 Department may accept a plan of correction FROM THE HOSPITAL OR RESIDENTIAL
15 TREATMENT CENTER based upon evidence that corrective action has been undertaken
16 by the hospital OR RESIDENTIAL TREATMENT CENTER.

17 (3) Periodic updates of the plan of correction FROM THE HOSPITAL OR
18 RESIDENTIAL TREATMENT CENTER may be requested by the Department.

19 (C) If a SERIOUS OR life-threatening condition is found to exist, the
20 Department may order the hospital OR RESIDENTIAL TREATMENT CENTER to initiate
21 immediate corrective action, AND THE HOSPITAL OR RESIDENTIAL TREATMENT
22 CENTER SHALL BE SUBJECT TO INSPECTION BY THE DEPARTMENT UNDER § 19-308
23 OF THIS SUBTITLE. [If the hospital is unable or unwilling to correct the condition, the
24 Department may:]

25 (D) IF THE SECRETARY DETERMINES THAT A SERIOUS OR
26 LIFE-THREATENING PATIENT CARE DEFICIENCY EXISTS AND THE HOSPITAL OR
27 RESIDENTIAL TREATMENT CENTER FAILS TO CORRECT THE DEFICIENCY THROUGH
28 IMPLEMENTATION OF IMMEDIATE CORRECTIVE ACTION, THE SECRETARY MAY:

29 (1) For an accredited [hospital,] HOSPITAL OR ACCREDITED
30 RESIDENTIAL TREATMENT CENTER:

31 (I) [revoke] REVOKE or [suspend] RESTRICT the licensure
32 entitlement of § 19-319(c)(2)(i) OF THIS SUBTITLE [or impose appropriate operating
33 conditions; or];

34 (II) IMPOSE A CIVIL MONETARY PENALTY OF NOT MORE THAN
35 \$10,000 PER INSTANCE OR PER DAY;

36 (III) IMPOSE A DIRECTED PLAN OF CORRECTION; AND

37 (IV) IMPOSE APPROPRIATE OPERATING CONDITIONS.

38 (2) For an unaccredited [hospital,] HOSPITAL:

1 (I) [revoke] REVOKE or [suspend] RESTRICT the license to operate
2 [or impose appropriate operating conditions];

3 (II) IMPOSE A CIVIL MONETARY PENALTY OF NOT MORE THAN
4 \$10,000 PER INSTANCE OR PER DAY;

5 (III) IMPOSE A DIRECTED PLAN OF CORRECTION; AND

6 (IV) IMPOSE APPROPRIATE OPERATING CONDITIONS.

7 (E) IN DETERMINING THE ACTION TO BE TAKEN UNDER SUBSECTION (D) OF
8 THIS SECTION, THE SECRETARY SHALL CONSIDER THE FOLLOWING FACTORS:

9 (1) THE NUMBER, NATURE, AND SERIOUSNESS OF THE PATIENT CARE
10 DEFICIENCIES;

11 (2) THE EXTENT TO WHICH THE PATIENT CARE DEFICIENCY OR
12 DEFICIENCIES ARE PART OF AN ONGOING PATTERN DURING THE PRECEDING 24
13 MONTHS;

14 (3) THE DEGREE OF RISK TO THE HEALTH, LIFE, OR SAFETY OF THE
15 PATIENTS OF THE HOSPITAL OR RESIDENTIAL TREATMENT CENTER CAUSED BY THE
16 PATIENT CARE DEFICIENCY OR DEFICIENCIES;

17 (4) THE EFFORTS MADE BY, AND THE ABILITY OF, THE HOSPITAL OR
18 RESIDENTIAL TREATMENT CENTER TO CORRECT THE PATIENT CARE DEFICIENCY OR
19 DEFICIENCIES THROUGH IMPLEMENTATION OF IMMEDIATE CORRECTIVE ACTION;
20 AND

21 (5) THE HOSPITAL'S OR RESIDENTIAL TREATMENT CENTER'S HISTORY
22 OF COMPLIANCE.

23 [(c)] (F) The remedies provided by this section are in addition to any other
24 remedies available to the Department at law or equity.

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
26 October 1, 2001.