

Department of Legislative Services

Maryland General Assembly

2001 Session

FISCAL NOTE

House Bill 1246 (Delegate Hurson, *et al.*)

Environmental Matters

**Medical Assistance Provider Reimbursement - Directly Influencing Employees
Regarding Unionization**

This bill provides that except as allowed under State or federal law, a health care facility provider cannot use Medicaid funds paid by the State to directly influence its employees with respect to unionization.

The bill takes effect January 1, 2002 and applies only to expenditures and reimbursements made after January 1, 2002.

Fiscal Summary

State Effect: The civil penalty provisions of this bill are not expected to significantly affect State finances. Any additional civil suits filed as a result of the bill's provisions could be handled with Office of the Attorney General and Judiciary budgeted resources.

Local Effect: None.

Small Business Effect: Potential minimal.

Analysis

Bill Summary: Each health care facility provider must physically segregate and separately account for moneys received from Medicaid in deposits and accounts other than those in which moneys used to directly influence employees with respect to unionization are deposited or accounted. A health care facility provider must also maintain an objective integrity and independence for activities designed to directly

influence employees with respect to unionization by: (1) conducting those activities in facilities physically separate from those in which health care services funded or reimbursed by Medicaid are provided; (2) utilizing different personnel to conduct those activities than the personnel used to directly provide health care services funded or reimbursed under the program; and (3) publicly identifying those activities and making the purpose known to employees.

Any taxpayer may file a complaint with the Department of Health and Mental Hygiene (DHMH) alleging a violation of the bill. The Attorney General may bring a civil action against a health care facility provider for a violation of the bill, seeking: (1) injunctive or other appropriate equitable relief; or (2) damages in the amount of the moneys used in violation of the bill and civil penalties equal to twice the amount.

If the Attorney General fails to bring a civil action within 60 business days of notification by DHMH, the Attorney General must notify the taxpayer complainant of the failure to bring an action. The taxpayer complainant may then bring a civil action seeking: (1) injunctive or other appropriate equitable relief; or (2) on behalf of the State, damages in the amount of the moneys used in violation of the bill and civil penalties equal to twice the amount. Any damages or civil penalties awarded to the Attorney General or a plaintiff must be paid into the State treasury.

Current Law: None applicable.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Office of the Attorney General, Judiciary (Administrative Office of the Courts), Department of Legislative Services

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ef/jr

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