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By: **Senators Hogan, Astle, Forehand, Garagiola, Grosfeld, Kramer, Mooney,  
Ruben, and Teitelbaum**

Introduced and read first time: January 26, 2005

Assigned to: Finance

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A BILL ENTITLED

1 AN ACT concerning

2 **Hospitals - Emergency Department Services - Satellite Locations**

3 FOR the purpose of exempting from certificate of need requirements the  
4 establishment of certain emergency department services at a satellite location of  
5 an acute care general hospital under certain circumstances; altering certain  
6 definitions; providing for the application of this Act; and generally relating to  
7 the regulation of hospital emergency department services at satellite locations.

8 BY adding to  
9 Article - Health - General  
10 Section 19-120(p)  
11 Annotated Code of Maryland  
12 (2000 Replacement Volume and 2004 Supplement)

13 BY repealing and reenacting, with amendments,  
14 Article - Health - General  
15 Section 19-201(d)(1) and 19-301(g)  
16 Annotated Code of Maryland  
17 (2000 Replacement Volume and 2004 Supplement)

18 BY repealing and reenacting, without amendments,  
19 Article - Health - General  
20 Section 19-301(a)  
21 Annotated Code of Maryland  
22 (2000 Replacement Volume and 2004 Supplement)

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

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**Article - Health - General**

2 19-120.

3 (P) A SEPARATE SATELLITE EMERGENCY DEPARTMENT LOCATION OF AN  
4 ACUTE CARE GENERAL HOSPITAL MAY BE ESTABLISHED WITHOUT A CERTIFICATE  
5 OF NEED IF:

6 (1) THE SATELLITE EMERGENCY DEPARTMENT LOCATION IS  
7 ESTABLISHED BY, AND WILL OPERATE ADMINISTRATIVELY AS PART OF, AN ACUTE  
8 CARE GENERAL HOSPITAL;

9 (2) THE ACUTE CARE GENERAL HOSPITAL IS PART OF A MERGED ASSET  
10 SYSTEM WITH ALL OF ITS EXISTING MARYLAND ACUTE CARE GENERAL HOSPITALS  
11 LOCATED IN A SINGLE JURISDICTION;

12 (3) THE SATELLITE EMERGENCY DEPARTMENT LOCATION WILL  
13 OPERATE IN THE SAME JURISDICTION;

14 (4) ONE OR MORE OF THE EXISTING ACUTE CARE GENERAL HOSPITALS  
15 IN THE MERGED ASSET SYSTEM HAS AN EMERGENCY DEPARTMENT VOLUME OF  
16 75,000 OR MORE VISITS FOR THE 12 MONTHS ENDING JUNE 30, 2004;

17 (5) THERE ARE NOT MORE THAN 5 ACUTE CARE GENERAL HOSPITALS IN  
18 THE JURISDICTION; AND

19 (6) THE CAPITAL EXPENDITURE TO IMPLEMENT THE SATELLITE  
20 EMERGENCY DEPARTMENT LOCATION OTHERWISE MEETS THE REQUIREMENTS OF  
21 SUBSECTION (K)(5)(VIII) OF THIS SECTION.

22 19-201.

23 (d) (1) "Hospital services" means:

24 (i) Inpatient hospital services as enumerated in Medicare  
25 Regulation 42 C.F.R. § 409.10, as amended;

26 (ii) Emergency services, INCLUDING EMERGENCY DEPARTMENT  
27 SERVICES PROVIDED AT A SATELLITE LOCATION ESTABLISHED BY AN ACUTE CARE  
28 GENERAL HOSPITAL UNDER § 19-120(P) OF THIS TITLE, WHICH FOR RATE-SETTING  
29 PURPOSES SHALL BE CONSIDERED PART OF THAT HOSPITAL;

30 (iii) Outpatient services provided at the hospital; and

31 (iv) Identified physician services for which a facility has  
32 Commission-approved rates on June 30, 1985.

33 19-301.

34 (a) In this subtitle the following words have the meanings indicated.

1 (g) (1) "Hospital" means an institution that:

2 [(1)] (I) Has a group of at least 5 physicians who are organized as a  
3 medical staff for the institution;

4 [(2)] (II) Maintains facilities to provide, under the supervision of the  
5 medical staff, diagnostic and treatment services for 2 or more unrelated individuals;  
6 and

7 [(3)] (III) Admits or retains the individuals for overnight care.

8 (2) "HOSPITAL" INCLUDES A SATELLITE LOCATION, OPERATED BY AN  
9 ACUTE CARE GENERAL HOSPITAL, AT WHICH EMERGENCY DEPARTMENT SERVICES  
10 ARE PROVIDED, SEPARATE FROM THE LOCATION AT WHICH OVERNIGHT CARE IS  
11 RENDERED.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
13 July 1, 2005 and, with respect to the application of § 19-120(k)(5)(viii) of the Health  
14 - General Article, this Act shall be implemented based on the Maryland Health Care  
15 Commission regulations in effect on that date and generally applicable to all hospital  
16 projects considered under that provision.