

# HOUSE BILL 809

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8lr2238

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By: **Delegate James**

Introduced and read first time: February 6, 2008

Assigned to: Health and Government Operations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Nursing Facilities – Accountability Measures – Pay-for-Performance**

3 FOR the purpose of requiring the Department of Health and Mental Hygiene to  
4 develop a plan for accountability measures to use in a pay-for-performance  
5 program; delaying a requirement that certain revenues be distributed to certain  
6 nursing facilities subject to a certain Act; requiring that the plan for  
7 accountability measures include certain items; requiring the Department to  
8 submit the plan for accountability measures to the General Assembly by a  
9 certain date; and generally relating to nursing facilities and  
10 pay-for-performance.

11 BY repealing and reenacting, with amendments,  
12 Chapter 503 of the Acts of the General Assembly of 2007  
13 Section 5

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

16 **Chapter 503 of the Acts of 2007**

17 SECTION 5. AND BE IT FURTHER ENACTED, That it is the intent of the  
18 General Assembly that:

19 (a) Beginning July 1, 2009, a portion of the revenues from the quality  
20 assessment shall be distributed to nursing facilities subject to this Act based on  
21 accountability measures that indicate quality of care or a commitment to quality of  
22 care. **THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE SHALL DEVELOP A**  
23 **PLAN FOR ACCOUNTABILITY MEASURES TO USE IN A PAY-FOR-PERFORMANCE**  
24 **PROGRAM IN CONSULTATION WITH REPRESENTATIVES OF THE NURSING**  
25 **FACILITIES AND OTHER STAKEHOLDERS.** The accountability measures should be  
26 objective, measurable, and when considered in combination with each other, deemed to

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 have a correlation to residents' quality of life and care. [The Department of Health and  
2 Mental Hygiene shall develop accountability measures in consultation with  
3 representatives of the nursing facilities and other stakeholders.]

4 **(B) THE PLAN DEVELOPED BY THE DEPARTMENT UNDER SUBSECTION**  
5 **(A) OF THIS SECTION SHALL INCLUDE:**

6 **(1) PROGRAM GOALS;**

7 **(2) RECOMMENDED OPTIONS;**

8 **(3) FUNDING SOURCES;**

9 **(4) IMPLEMENTATION TIMELINES AND BENCHMARKING PERIODS;**  
10 **AND**

11 **(5) THE ADMINISTRATIVE COST OF IMPLEMENTATION OF A**  
12 **PAY-FOR-PERFORMANCE PROGRAM.**

13 [(b)] (C) Up to 25% of the revenues generated by the quality assessment  
14 shall be **IN AN INCENTIVE PROGRAM TO BE** distributed as provided in this section, to  
15 the extent federal law allows. Further, the distribution of revenues as provided in this  
16 section shall be used as an incentive for nursing facilities to provide quality care, and  
17 may not be used to directly or indirectly hold harmless any nursing facility.

18 **(D) ON OR BEFORE DECEMBER 1, 2008, THE PLAN REQUIRED UNDER**  
19 **THIS SECTION SHALL BE SUBMITTED BY THE DEPARTMENT, IN ACCORDANCE**  
20 **WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE GENERAL**  
21 **ASSEMBLY.**

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
23 July 1, 2008.