

SENATE BILL 677

J3, O2

8lr2549
CF HB 809

By: **Senators Garagiola, Astle, King, Klausmeier, McFadden, Peters, Pugh, and Robey**

Introduced and read first time: February 1, 2008

Assigned to: Budget and Taxation and Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 30, 2008

CHAPTER _____

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; ~~repealing~~ delaying a requirement that certain revenues be distributed
6 to certain nursing facilities subject to a certain Act; ~~requiring that certain~~
7 ~~measures be attainable~~; requiring that the plan for accountability measures
8 include certain items; requiring the Department to submit the plan for
9 accountability measures to the General Assembly by a certain date; and
10 generally relating to nursing facilities and 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:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (a) ~~¶~~Beginning July 1, ~~2008~~, **2009**, a portion of the revenues from the quality
 2 assessment shall be distributed to nursing facilities subject to this Act based on
 3 accountability measures that indicate quality of care or a commitment to quality of
 4 care. ~~¶~~ **THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE SHALL DEVELOP A**
 5 **PLAN FOR ACCOUNTABILITY MEASURES TO USE IN A PAY-FOR-PERFORMANCE**
 6 **PROGRAM IN CONSULTATION WITH REPRESENTATIVES OF THE NURSING**
 7 **FACILITIES AND OTHER STAKEHOLDERS.** The accountability measures should be
 8 objective, ~~ATTAINABLE~~, measurable, and when considered in combination with each
 9 other, deemed to have a correlation to residents' quality of life and care. [The
 10 Department of Health and Mental Hygiene shall develop accountability measures in
 11 consultation with representatives of the nursing facilities and other stakeholders.]

12 (b) **THE PLAN DEVELOPED BY THE DEPARTMENT UNDER SUBSECTION**
 13 **(A) OF THIS SECTION SHALL INCLUDE:**

14 (1) **PROGRAM GOALS;**

15 (2) **RECOMMENDED OPTIONS;**

16 (3) **FUNDING SOURCES;**

17 (4) **IMPLEMENTATION TIMELINES, ~~INCLUDING~~ AND**
 18 **BENCHMARKING PERIODS; AND**

19 (5) ~~CONSIDERATION FOR A PILOT PROGRAM BEFORE FULL~~
 20 ~~IMPLEMENTATION OF A PAY FOR PERFORMANCE PROGRAM~~ **THE**
 21 **ADMINISTRATIVE COST OF IMPLEMENTATION OF A PAY-FOR-PERFORMANCE**
 22 **PROGRAM.**

23 [(b)] (c) ~~¶~~Up to 25% of the revenues generated by the quality assessment
 24 shall be distributed as provided in this section, to the extent federal law allows.
 25 Further, the ~~¶~~ ~~THE~~ distribution of revenues as provided in this section shall be used as
 26 an incentive for nursing facilities to provide quality care, and may not be used to
 27 directly or indirectly hold harmless any nursing facility.

28 (d) **ON OR BEFORE DECEMBER 1, 2008, THE PLAN REQUIRED UNDER**
 29 **THIS SECTION SHALL BE SUBMITTED BY THE DEPARTMENT, IN ACCORDANCE**
 30 **WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE GENERAL**
 31 **ASSEMBLY.**

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