

**Department of Legislative Services**  
Maryland General Assembly  
2011 Session

**FISCAL AND POLICY NOTE**  
**Revised**

Senate Bill 960

(Senator Middleton)

Education, Health, and Environmental Affairs  
and Finance

Health and Government Operations

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**Health Care Providers - Investigations - Information Sharing Among State  
Agencies**

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This bill adds two entities to the list of entities to which the Health Services Cost Review Commission (HSCRC) within the Department of Health and Mental Hygiene (DHMH) may disclose certain identifying physician information: (1) the Office of Health Care Quality (OHCQ); and (2) an investigatory body under the State or federal government. In addition, the bill requires the State Board of Physicians to disclose – for the purpose of investigating quality or utilization of care in an entity regulated by OHCQ or HSCRC – any information contained in a record to the Secretary of Health and Mental Hygiene, OHCQ, or HSCRC. Requiring the State Board of Physicians to disclose information in a record may not be construed to otherwise alter the authority of the Secretary of Health and Mental Hygiene. The board, the Secretary, and HSCRC must jointly adopt regulations by January 1, 2012, for the efficient and secure transfer of information under the bill.

The bill also alters the definition of “medical review committee” to include a committee appointed by or established in DHMH.

The bill takes effect July 1, 2011.

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**Fiscal Summary**

**State Effect:** All three entities within DHMH can jointly adopt the required regulations with existing resources. Revenues are not affected.

**Local Effect:** None.

**Small Business Effect:** None.

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## Analysis

**Current Law/Background:** HSCRC, an independent commission within DHMH, was established in 1971 to contain hospital costs; maintain fairness in hospital payment; provide for financial access to hospital care; and disclose information on the operation of hospitals in the State. HSCRC must require each hospital or related institution to provide information that concerns the facility's total financial needs and its resources to meet those needs; addresses the effect of any proposal made on comprehensive health planning; and includes physician information sufficient to identify practice patterns of individual physicians across all facilities. However, the names of individual physicians are confidential and may only be disclosed to the utilization review committee of a Maryland hospital, the Medical and Chirurgical Faculty of the State of Maryland, or the State Board of Physicians.

Except as expressly specified by law, neither the State Board of Physicians nor any of its investigative bodies may disclose any information contained in a record (*i.e.*, the proceedings, records, or files of the board). The State Board of Physicians is required to disclose any information contained in a record to a committee of a hospital, health maintenance organization, or related institution if (1) the committee requests the information in writing; (2) the board has issued an order as to a licensed physician on whom the information is requested; and (3) the board determines that the requested information is necessary for an investigation or action of the committee as to a medical privilege of a licensed physician.

A medical review committee is a committee that evaluates and seeks to improve the quality of health care provided by health care providers; measures the need for and the level of performance of health care provided by health care providers; assesses the qualification, competence, and performance of health care providers; or evaluates and acts on matters that relate to the discipline of health care providers. A medical review committee includes an agency established by State or federal law to license, certify, or discipline any provider of health care. Also among the 15 types of entities afforded medical review committee status are a review board established by a local health department, a health provider professional association, and a professional standard review organization.

Recent allegations concerning unnecessary coronary stent procedures performed at St. Joseph's Medical Center in Towson have raised concerns regarding the State's ability to investigate other instances in which unnecessary procedures are being undertaken. Accordingly, DHMH has recommended altering State law to remove legal barriers to a coordinated investigation of concerns regarding health quality and the overutilization of certain medical procedures.

## **Additional Information**

**Prior Introductions:** None.

**Cross File:** HB 600 (Delegate Hammen, *et al.*) - Health and Government Operations.

**Information Source(s):** Office of the Attorney General, Maryland Health Claims Alternative Dispute Resolution Office, Department of Health and Mental Hygiene, Maryland Insurance Administration, Department of State Police, Office of Administrative Hearings, Department of Legislative Services

**Fiscal Note History:** First Reader - March 8, 2011  
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