

HOUSE BILL 930

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9lr1161

By: **Delegates Metzgar, Jacobs, and Shoemaker**

Introduced and read first time: February 8, 2019

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Hospitals – Changes in Status – Notification and Approval**

3 FOR the purpose of requiring a hospital, if the hospital is seeking to close, partially close,
4 downsize, merge, or delicense and workers may be displaced, to provide certain
5 notice to certain entities, a certain community, and affected workers; providing for
6 the content of a certain notice; requiring approval by the Maryland Department of
7 Health, the Maryland Health Care Commission, and the Health Services Cost
8 Review Commission before a hospital closes, partially closes, downsizes, merges, or
9 is delicensed under certain circumstances; stating the purpose of this Act; and
10 generally relating to the notification and approval related to changes in hospital
11 status.

12 BY repealing and reenacting, with amendments,
13 Article – Health – General
14 Section 19–326.1
15 Annotated Code of Maryland
16 (2015 Replacement Volume and 2018 Supplement)

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

19 **Article – Health – General**

20 19–326.1.

21 **(A) (1) THE PURPOSES OF THIS SUBSECTION ARE TO REQUIRE:**

22 **(I) NOTICE WHEN A HOSPITAL SEEKS TO CLOSE, PARTIALLY**
23 **CLOSE, DOWNSIZE, MERGE, OR DELICENSE UNDER § 19–325 OF THIS SUBTITLE AND**
24 **WORKERS MAY BE DISPLACED; AND**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(II) APPROVAL BY THE DEPARTMENT OF ANY ACTION**
 2 **PROPOSED BY A HOSPITAL UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.**

3 **(2) (I) IF A HOSPITAL SEEKS TO VOLUNTARILY CLOSE, PARTIALLY**
 4 **CLOSE, DOWNSIZE, MERGE, OR DELICENSE UNDER § 19–325 OF THIS SUBTITLE AND**
 5 **WORKERS MAY BE DISPLACED, THE HOSPITAL SHALL GIVE AT LEAST 90 DAYS’**
 6 **NOTICE TO:**

7 **1. FEDERAL, STATE, AND LOCAL AUTHORITIES;**

8 **2. THE COMMUNITY IN WHICH THE HOSPITAL IS**
 9 **LOCATED; AND**

10 **3. AFFECTED WORKERS OF THE HOSPITAL.**

11 **(II) THE NOTICE REQUIRED UNDER SUBPARAGRAPH (I) OF THIS**
 12 **PARAGRAPH SHALL INCLUDE A STATEMENT OF THE:**

13 **1. PURPOSE OF THIS SUBSECTION; AND**

14 **2. EXPRESS CHANGES PROPOSED BY THE HOSPITAL AND**
 15 **THE IMPACT OF THE CHANGES ON THE COMMUNITY AND AFFECTED STAKEHOLDERS.**

16 **(III) AFTER PROVIDING A FULL IMPACT ANALYSIS UNDER**
 17 **SUBPARAGRAPH (I)2 OF THIS PARAGRAPH AND MEETING ALL RELEVANT**
 18 **TRANSPLANT CERTIFICATION REQUIREMENTS, A HOSPITAL MUST OBTAIN**
 19 **APPROVAL FROM THE DEPARTMENT, THE MARYLAND HEALTH CARE COMMISSION,**
 20 **AND THE HEALTH SERVICES COST REVIEW COMMISSION BEFORE THE CLOSURE,**
 21 **PARTIAL CLOSURE, DOWNSIZING, MERGER, OR DELICENSURE.**

22 **(B) If a hospital voluntarily closes, merges, or is delicensed under § 19–325 of this**
 23 **subtitle and workers are displaced:**

24 **(1) Each hospital shall pay a fee directly to the Department of Labor,**
 25 **Licensing, and Regulation. The fee shall not exceed 0.01 percent of the gross operating**
 26 **revenue for the fiscal year immediately preceding the closure or delicensing of the hospital.**
 27 **A fee shall only be assessed once for each voluntary closure, merger, or delicensure.**

28 **(2) The Secretary of Labor, Licensing, and Regulation shall pay the fees**
 29 **received under this section into the Hospital Employees Training Fund established under**
 30 **§ 11–201 of the Labor and Employment Article.**

31 **SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect**

1 October 1, 2019.