

HOUSE BILL 940

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9lr2853

By: **Delegate Hill**

Introduced and read first time: February 8, 2019

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Unregulated Space in Hospital Operating Suites Pilot Project**

3 FOR the purpose of establishing an unregulated space in hospital operating suites pilot
4 project; requiring the pilot project to be operated by the Health Services Cost Review
5 Commission; authorizing the Commission to allow up to five hospitals to participate
6 in the pilot project; providing that certain hospitals may be subject to a certain rate
7 determination; authorizing certain hospitals to make available certain operating
8 room space to certain patients and payers under certain conditions; requiring the
9 Commission to develop certain criteria and standards for the pilot project; requiring
10 the Commission to report to certain committees of the General Assembly on or before
11 a certain date each year; providing for the termination of this Act; and generally
12 relating to the unregulated space in hospital operating suites pilot project.

13 BY adding to

14 Article – Health – General

15 Section 19–209

16 Annotated Code of Maryland

17 (2015 Replacement Volume and 2018 Supplement)

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

20 **Article – Health – General**

21 **19–209.**

22 **(A) THERE IS AN UNREGULATED SPACE IN HOSPITAL OPERATING SUITES**
23 **PILOT PROJECT.**

24 **(B) THE PILOT PROJECT SHALL BE OPERATED BY THE COMMISSION.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(C) (1) THE COMMISSION IS AUTHORIZED TO ALLOW UP TO FIVE**
2 **HOSPITALS TO PARTICIPATE IN THE PILOT PROJECT.**

3 **(2) A HOSPITAL PARTICIPATING IN THE PILOT PROJECT MAY BE**
4 **SUBJECT TO AN ALTERNATE METHOD OF RATE DETERMINATION, INCLUDING AN**
5 **EXEMPTION FROM RATES THAT ALLOWS UNREGULATED OPERATING ROOM SPACE**
6 **TO BE PHYSICALLY LOCATED WITHIN A REGULATED FACILITY.**

7 **(3) A HOSPITAL PARTICIPATING IN THE PILOT PROJECT IS**
8 **AUTHORIZED TO MAKE AVAILABLE UNREGULATED OPERATING ROOM SPACE TO ALL**
9 **PATIENTS AND ALL PAYERS, WITH NO DUPLICATION OF SERVICES IN REGULATED**
10 **OPERATING ROOM SPACE.**

11 **(D) THE COMMISSION SHALL DEVELOP CRITERIA AND STANDARDS FOR**
12 **HOSPITALS PARTICIPATING IN THE PILOT PROJECT INCLUDING THAT:**

13 **(1) A PARTICIPATING HOSPITAL SHALL OFFER CHARITY CARE**
14 **CONSISTENT WITH REGULATED HOSPITAL SERVICES;**

15 **(2) THE BILLED CHARGE FOR A SERVICE MAY NOT BE HIGHER THAN**
16 **THE PARTICIPATING HOSPITAL'S BILLED CHARGE FOR A SIMILAR SERVICE;**

17 **(3) THE COST TO THE MEDICAL ASSISTANCE PROGRAM AND**
18 **MEDICARE SHALL BE LOWER THAN A SIMILAR REGULATED HOSPITAL SERVICE; AND**

19 **(4) A PARTICIPATING HOSPITAL SHALL INCREASE CONSUMER**
20 **AWARENESS AND EDUCATION ABOUT REGULATED AND NONREGULATED SERVICES,**
21 **INCLUDING THE POTENTIAL FOR ADDITIONAL BILLED CHARGES FROM PHYSICIANS.**

22 **(E) ON OR BEFORE DECEMBER 1 EACH YEAR, THE COMMISSION SHALL**
23 **REPORT, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE,**
24 **TO THE SENATE FINANCE COMMITTEE AND THE HOUSE HEALTH AND**
25 **GOVERNMENT OPERATIONS COMMITTEE ON:**

26 **(1) THE TYPES OF PROCEDURES THAT HAVE OCCURRED IN A**
27 **PARTICIPATING HOSPITAL'S UNREGULATED OPERATING ROOM SPACE;**

28 **(2) THE COSTS ASSOCIATED WITH A HOSPITAL'S PARTICIPATION IN**
29 **THE PILOT PROJECT; AND**

30 **(3) THE EFFECTS OF THE PILOT PROJECT ON THE MARYLAND**
31 **ALL-PAYER MODEL.**

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
2 1, 2019. It shall remain effective for a period of 3 years and, at the end of June 30, 2022,
3 this Act, with no further action required by the General Assembly, shall be abrogated and
4 of no further force and effect.