

# SENATE BILL 106

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(PRE-FILED)

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By: **Chair, Finance Committee (By Request – Departmental – Health)**

Requested: September 24, 2019

Introduced and read first time: January 8, 2020

Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Health Care Facilities – Certificate of Need – Exception for State-Owned**  
3 **Facilities**

4 FOR the purpose of altering the definition of “health care facility” to exempt State-owned  
5 facilities from the requirement that a health care facility have a certificate of need  
6 issued by the Maryland Health Care Commission; and generally relating to health  
7 care facilities and certificates of need.

8 BY repealing and reenacting, without amendments,  
9 Article – Health – General  
10 Section 19–114(a)  
11 Annotated Code of Maryland  
12 (2019 Replacement Volume)

13 BY repealing and reenacting, with amendments,  
14 Article – Health – General  
15 Section 19–114(d)  
16 Annotated Code of Maryland  
17 (2019 Replacement Volume)

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 19–114.

22 (a) In this Part II of this subtitle the following words have the meanings  
23 indicated.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 (d) (1) “Health care facility” means:
- 2 (i) A hospital, as defined in § 19–301 of this title;
- 3 (ii) A limited service hospital, as defined in § 19–301 of this title;
- 4 (iii) A related institution, as defined in § 19–301 of this title;
- 5 (iv) An ambulatory surgical facility;
- 6 (v) An inpatient facility that is organized primarily to help in the  
7 rehabilitation of disabled individuals, through an integrated program of medical and other  
8 services provided under competent professional supervision;
- 9 (vi) A home health agency, as defined in § 19–401 of this title;
- 10 (vii) A hospice, as defined in § 19–901 of this title;
- 11 (viii) A freestanding medical facility, as defined in § 19–3A–01 of this  
12 title; and
- 13 (ix) Any other health institution, service, or program for which this  
14 Part II of this subtitle requires a certificate of need.
- 15 (2) “Health care facility” does not include:
- 16 (i) A hospital or related institution that is operated, or is listed and  
17 certified, by the First Church of Christ Scientist, Boston, Massachusetts;
- 18 (ii) For the purpose of providing an exception to the requirement for  
19 a certificate of need under § 19–120 of this subtitle, a facility to provide comprehensive care  
20 constructed by a provider of continuing care, as defined in § 10–401 of the Human Services  
21 Article, if:
- 22 1. Except as provided under § 19–123 of this subtitle, the  
23 facility is for the exclusive use of the provider’s subscribers who have executed continuing  
24 care agreements and paid entrance fees that are at least equal to the lowest entrance fee  
25 charged for an independent living unit or an assisted living unit before entering the  
26 continuing care community, regardless of the level of care needed by the subscribers at the  
27 time of admission;
- 28 2. The facility is located on the campus of the continuing care  
29 community; and
- 30 3. The number of comprehensive care nursing beds in the  
31 community does not exceed:

1                   A.     24 percent of the number of independent living units in a  
2 community having less than 300 independent living units; or

3                   B.     20 percent of the number of independent living units in a  
4 community having 300 or more independent living units;

5                   (iii) For the purpose of providing an exception to the requirement for  
6 a certificate of need under § 19–120 of this subtitle, a facility [to provide comprehensive  
7 care that:

8                   1.     Is owned and operated by the Maryland Department of  
9 Veterans Affairs; and

10                  2.     Restricts admissions to individuals who meet the  
11 residency requirements established by the Maryland Department of Veterans Affairs and  
12 are:

13                  A.     Veterans who were discharged or released from the armed  
14 forces of the United States under honorable conditions;

15                  B.     Former members of a reserve component of the armed  
16 forces of the United States; or

17                  C.     Nonveteran spouses of eligible veterans] **OWNED BY THE**  
18 **STATE;**

19                  (iv) Except for a facility to provide kidney transplant services or  
20 programs, a kidney disease treatment facility, as defined by rule or regulation of the United  
21 States Department of Health and Human Services;

22                  (v) Except for kidney transplant services or programs, the kidney  
23 disease treatment stations and services provided by or on behalf of a hospital or related  
24 institution; or

25                  (vi) The office of one or more individuals licensed to practice dentistry  
26 under Title 4 of the Health Occupations Article, for the purposes of practicing dentistry.

27                  SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
28 1, 2020.