

SENATE BILL 253

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2lr1562

By: **Senator Kelley**

Introduced and read first time: January 14, 2022

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Health Care Commission – User Fee Assessments**

3 FOR the purpose of increasing the maximum amount of user fees the Maryland Health
4 Care Commission may assess on hospitals, nursing homes, payors, and health care
5 practitioners; and generally relating to user fees and the Maryland Health Care
6 Commission.

7 BY repealing and reenacting, without amendments,
8 Article – Health – General
9 Section 19–111(a) and (b)
10 Annotated Code of Maryland
11 (2019 Replacement Volume and 2021 Supplement)

12 BY repealing and reenacting, with amendments,
13 Article – Health – General
14 Section 19–111(c)
15 Annotated Code of Maryland
16 (2019 Replacement Volume and 2021 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 19–111.

21 (a) (1) In this section the following words have the meanings indicated.

22 (2) “Fund” means the Maryland Health Care Commission Fund.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (3) "Health benefit plan" has the meaning stated in § 15-1201 of the
2 Insurance Article.

3 (4) "Health care practitioner" means any individual who is licensed,
4 certified, or otherwise authorized under the Health Occupations Article to provide health
5 care services.

6 (5) "Nursing home" means a related institution that is classified as a
7 nursing home.

8 (6) "Payor" means:

9 (i) A health insurer or nonprofit health service plan that holds a
10 certificate of authority and provides health insurance policies or contracts in the State in
11 accordance with this article or the Insurance Article; or

12 (ii) A health maintenance organization that holds a certificate of
13 authority in the State.

14 (b) Subject to the provisions of subsection (d) of this section, the Commission shall
15 assess a fee on:

16 (1) All hospitals;

17 (2) All nursing homes;

18 (3) All payors; and

19 (4) All health care practitioners.

20 (c) (1) The total fees assessed by the Commission may not exceed
21 ~~[\$16,000,000]~~ **\$20,000,000**.

22 (2) (i) The fees assessed by the Commission shall be used exclusively to
23 cover the actual documented direct costs of fulfilling the statutory and regulatory duties of
24 the Commission in accordance with the provisions of this subtitle.

25 (ii) The costs of the Commission include the administrative costs
26 incurred by the Department on behalf of the Commission.

27 (iii) The amount to be paid by the Commission to the Department for
28 administrative costs, not to exceed 30.5% of the salaries of the Commission, shall be based
29 on indirect costs or services benefiting the Commission, less overhead costs paid directly by
30 the Commission.

31 (3) The Commission shall pay all funds collected from the fees assessed in
32 accordance with this section into the Fund.

1 (4) The fees assessed may be expended only for purposes authorized by the
2 provisions of this subtitle.

3 (5) The amount in paragraph (1) of this subsection limits only the total fees
4 the Commission may assess in a fiscal year.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
6 1, 2022.