

# SENATE BILL 677

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By: **Senator Kelley**

Introduced and read first time: February 4, 2022

Assigned to: Finance

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 7, 2022

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Maryland Health Care Commission – Nursing Homes – ~~Audit~~ Reporting**

3 FOR the purpose of requiring the Maryland Health Care Commission to ~~conduct a certain~~  
4 ~~annual audit of nursing homes in the State; requiring the Commission to conduct an~~  
5 ~~annual survey of the nursing home workforce; requiring the Commission to establish~~  
6 ~~a fee to be paid by each nursing home subject to the audit to cover the cost of the~~  
7 ~~audit~~ post on its website a report that includes certain ownership, utilization, and  
8 financial data regarding licensed nursing homes in the State on or before a certain  
9 date each year; requiring the Commission to publish certain information regarding  
10 licensed nursing homes on its website; and generally relating to the Maryland Health  
11 Care Commission and ~~an audit of~~ the reporting of information regarding nursing  
12 homes.

13 BY adding to

14 Article – Health – General

15 Section 19–138

16 Annotated Code of Maryland

17 (2019 Replacement Volume and 2021 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 **19–138.**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1       ~~(A) ON OR BEFORE DECEMBER 1, 2023, AND EACH DECEMBER 1~~  
2 ~~THEREAFTER, THE COMMISSION SHALL:~~

3           ~~(1) CONDUCT A COMPREHENSIVE AUDIT OF COST TRENDS, LABOR~~  
4 ~~ISSUES, AND FINANCIAL PERFORMANCE FOR EACH NURSING HOME LICENSED~~  
5 ~~UNDER § 19-1401 OF THIS TITLE; AND~~

6           ~~(2) USE THE AUDIT REQUIRED UNDER ITEM (1) OF THIS SUBSECTION~~  
7 ~~TO DEVELOP FINDINGS BY FACILITY TYPE AND OWNERSHIP GROUP AND ON AN~~  
8 ~~INDUSTRY-WIDE BASIS.~~

9       ~~(B) THE AUDIT REQUIRED UNDER SUBSECTION (A)(1) OF THIS SECTION~~  
10 ~~SHALL INCLUDE THE FOLLOWING INFORMATION:~~

11           ~~(1) GROSS AND NET PATIENT SERVICE REVENUES;~~

12           ~~(2) OTHER SOURCES OF OPERATING AND NONOPERATING REVENUES;~~

13           ~~(3) TRENDS IN RELATIVE PRICE, PAYER MIX, CASE MIX, UTILIZATION,~~  
14 ~~AND LENGTH OF STAY, SINCE CALENDAR YEAR 2010;~~

15           ~~(4) AFFILIATIONS WITH OTHER HEALTH CARE PROVIDERS,~~  
16 ~~INCLUDING PREFERRED CLINICAL RELATIONSHIPS AND PROVIDERS;~~

17           ~~(5) CATEGORIES OF COSTS, INCLUDING GENERAL AND~~  
18 ~~ADMINISTRATIVE COSTS, NURSING AND OTHER LABOR COSTS AND SALARIES,~~  
19 ~~BUILDING COSTS, CAPITAL COSTS, AND OTHER OPERATING COSTS;~~

20           ~~(6) TOTAL SPENDING ON DIRECT PATIENT CARE AS A PERCENT OF~~  
21 ~~TOTAL OPERATING EXPENSES;~~

22           ~~(7) OPERATING AND TOTAL MARGIN;~~

23           ~~(8) OCCUPANCY RATES; AND~~

24           ~~(9) ANY OTHER INFORMATION CONSIDERED NECESSARY BY THE~~  
25 ~~COMMISSION TO CONDUCT THE AUDIT.~~

26       ~~(C) (1) IN CONDUCTING THE AUDIT REQUIRED UNDER SUBSECTION~~  
27 ~~(A)(1) OF THIS SECTION, THE COMMISSION SHALL ADMINISTER AN ANNUAL SURVEY~~  
28 ~~OF THE NURSING HOME WORKFORCE.~~

1           ~~(2) THE WORKFORCE SURVEY REQUIRED UNDER PARAGRAPH (1) OF~~  
2 ~~THIS SUBSECTION SHALL:~~

3           ~~(I) BE MADE AVAILABLE IN PAPER AND ELECTRONIC FORMAT;~~

4           ~~(II) BE ANONYMOUS; AND~~

5           ~~(III) INCLUDE QUESTIONS ON THE FOLLOWING AREAS:~~

6           ~~1. WORKING CONDITIONS;~~

7           ~~2. WAGES;~~

8           ~~3. WORKING HOURS, INCLUDING ANY MANDATORY OR~~  
9 ~~VOLUNTARY OVERTIME;~~

10          ~~4. INTERACTIONS WITH MANAGEMENT; AND~~

11          ~~5. INTERACTIONS WITH RESIDENTS IN THE FACILITY.~~

12          ~~(D) EACH YEAR, THE COMMISSION SHALL ESTABLISH A FEE TO BE PAID BY~~  
13 ~~EACH NURSING HOME SUBJECT TO THE AUDIT TO COVER THE COST OF THE AUDIT~~  
14 ~~REQUIRED UNDER SUBSECTION (A)(1) OF THIS SECTION.~~

15          ~~(E) ON OR BEFORE DECEMBER 1, 2023, AND EACH DECEMBER 1~~  
16 ~~THEREAFTER, THE COMMISSION SHALL SUBMIT THE FINDINGS DEVELOPED UNDER~~  
17 ~~SUBSECTION (A)(2) OF THIS SECTION TO THE GOVERNOR AND, SUBJECT TO § 2-1257~~  
18 ~~OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.~~

19          (A) ON OR BEFORE JANUARY 31 EACH YEAR, THE COMMISSION SHALL POST  
20 ON ITS WEBSITE A REPORT THAT INCLUDES THE FOLLOWING INFORMATION  
21 REGARDING NURSING HOMES LICENSED UNDER § 19-1401 OF THIS TITLE FOR THE  
22 IMMEDIATELY PRECEDING CALENDAR YEAR:

23           (1) EACH CHANGE IN OWNERSHIP AT A LICENSED NURSING HOME, AS  
24 REPORTED TO THE COMMISSION;

25           (2) INFORMATION ON THE TRENDS IN THE UTILIZATION OF LICENSED  
26 NURSING HOMES IN THE STATE, SORTABLE BY INDIVIDUAL FACILITY, FACILITY  
27 OWNER, AND REGION IN THE STATE; AND

28           (3) A SUMMARY OF THE FINANCIAL DATA REGARDING LICENSED  
29 NURSING HOMES IN THE STATE COLLECTED BY THE COMMISSION FOR THE  
30 PURPOSES OF HEALTH PLANNING AND AVAILABLE AS A PUBLIC USE FILE.

1           **(B) THE COMMISSION SHALL PUBLISH ON ITS WEBSITE SEARCHABLE**  
 2 **INFORMATION ON NURSING HOMES LICENSED UNDER § 19-1401 OF THIS TITLE,**  
 3 **INCLUDING INFORMATION FROM AND LINKS TO COST REPORTS FILED WITH THE**  
 4 **COMMISSION BY NURSING HOMES.**

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

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.