SENATE BILL 677

By: Senator Kelley
Introduced and read first time: February 4, 2022
Assigned to: Finance
Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: March 7, 2022

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 annual audit of nursing homes in the State; requiring the Commission to conduct an annual survey of the nursing home workforce; requiring the Commission to establish a fee to be paid by each nursing home subject to the audit to cover the cost of the audit; posting on its website a report that includes certain ownership, utilization, and financial data regarding licensed nursing homes in the State on or before a certain date each year; requiring the Commission to publish certain information regarding licensed nursing homes on its website; and generally relating to the Maryland Health Care Commission and an audit of the reporting of information regarding nursing 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.

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.
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(A) On or before December 1, 2023, and each December 1 thereafter, the Commission shall:

(1) Conduct a comprehensive audit of cost trends, labor issues, and financial performance for each nursing home licensed under § 19–1401 of this title; and

(2) Use the audit required under item (1) of this subsection to develop findings by facility type and ownership group and on an industry-wide basis.

(B) The audit required under subsection (A)(1) of this section shall include the following information:

(1) Gross and net patient service revenues;

(2) Other sources of operating and nonoperating revenues;

(3) Trends in relative price, payer mix, case mix, utilization, and length of stay, since calendar year 2010;

(4) Affiliations with other health care providers, including preferred clinical relationships and providers;

(5) Categories of costs, including general and administrative costs, nursing and other labor costs and salaries, building costs, capital costs, and other operating costs;

(6) Total spending on direct patient care as a percent of total operating expenses;

(7) Operating and total margin;

(8) Occupancy rates; and

(9) Any other information considered necessary by the Commission to conduct the audit.

(C) (1) In conducting the audit required under subsection (A)(1) of this section, the Commission shall administer an annual survey of the nursing home workforce.
(2) The workforce survey required under paragraph (1) of this subsection shall:

(i) Be made available in paper and electronic format;

(ii) Be anonymous; and

(iii) Include questions on the following areas:

1. Working conditions;

2. Wages;

3. Working hours, including any mandatory or voluntary overtime;

4. Interactions with management; and

5. Interactions with residents in the facility.

(d) Each year, the Commission shall establish a fee to be paid by each nursing home subject to the audit to cover the cost of the audit required under subsection (a)(1) of this section.

(e) On or before December 1, 2023, and each December 1 thereafter, the Commission shall submit the findings developed under subsection (a)(2) of this section to the Governor and, subject to §2–1257 of the State Government Article, the General Assembly.

(A) On or before January 31 each year, the Commission shall post on its website a report that includes the following information regarding nursing homes licensed under §19–1401 of this title for the immediately preceding calendar year:

(1) Each change in ownership at a licensed nursing home, as reported to the Commission;

(2) Information on the trends in the utilization of licensed nursing homes in the State, sortable by individual facility, facility owner, and region in the State; and

(3) A summary of the financial data regarding licensed nursing homes in the State collected by the Commission for the purposes of health planning and available as a public use file.
(B) The Commission shall publish on its website searchable information on nursing homes licensed under § 19–1401 of this title, including information from and links to cost reports filed with the Commission by nursing homes.

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