

# SENATE BILL 708

J1, P1, P2

2lr2968

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By: **Senators Lam and Hettleman**

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 Department of Health – Office of the Inspector General and**  
3 **~~Emergency Procurement Audits~~**

4 FOR the purpose of providing that there is a Compliance Officer within the Office of the  
5 Inspector General in the Maryland Department of Health; authorizing the Inspector  
6 General ~~and the Compliance Officer~~ to investigate behavior in the Department that  
7 threatens public safety or demonstrates negligence, incompetence, or malfeasance;  
8 requiring the Inspector General, the Compliance Officer, or a designated Assistant  
9 Inspector General to respond in a certain manner to an individual who has filed a  
10 complaint or allegation; ~~requiring the Board of Public Works to submit a certain~~  
11 ~~audit to the Secretary of Health after the Department awards an emergency~~  
12 ~~procurement contract;~~ and generally relating to the Maryland Department of Health.

13 BY adding to

14 Article – Health – General

15 Section 2–502.2

16 Annotated Code of Maryland

17 (2019 Replacement Volume and 2021 Supplement)

18 BY repealing and reenacting, with amendments,

19 Article – Health – General

20 Section 2–503

21 Annotated Code of Maryland

22 (2019 Replacement Volume and 2021 Supplement)

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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.



~~BY repealing and reenacting, without amendments,~~

~~Article — State Finance and Procurement~~

~~Section 11-101(a) and (d)~~

~~Annotated Code of Maryland~~

~~(2021 Replacement Volume)~~

~~BY adding to~~

~~Article — State Finance and Procurement~~

~~Section 13-228~~

~~Annotated Code of Maryland~~

~~(2021 Replacement Volume)~~

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

**Article – Health – General**

**2-502.2.**

(A) THERE IS A COMPLIANCE OFFICER WITHIN THE MARYLAND OFFICE OF  
THE INSPECTOR GENERAL FOR HEALTH.

(B) (1) THE COMPLIANCE OFFICER SHALL BE ~~APPOINTED~~ DESIGNATED  
BY THE INSPECTOR GENERAL.

(2) THE COMPLIANCE OFFICER SHALL BE PROFESSIONALLY  
QUALIFIED THROUGH EXPERIENCE OR EDUCATION IN AT LEAST ONE OF THE  
FOLLOWING AREAS:

(I) ADMINISTRATIVE MANAGEMENT;

(II) HEALTH CARE COMPLIANCE STANDARDS; OR

(III) PUBLIC HEALTH.

(C) THE COMPLIANCE OFFICER SHALL ENSURE THAT UNITS AND  
EMPLOYEES OF THE DEPARTMENT COMPLY WITH:

(1) BEST PRACTICES IN HEALTH CARE, PUBLIC HEALTH, AND  
GOVERNMENT ADMINISTRATION; AND

(2) LAWS, REGULATIONS, AND DEPARTMENT POLICIES.

**2-503.**

(a) The Inspector General ~~AND THE COMPLIANCE OFFICER:~~

1 (1) May investigate fraud, waste, [and] abuse of departmental funds, AND  
2 BEHAVIOR IN THE DEPARTMENT THAT THREATENS PUBLIC SAFETY OR  
3 DEMONSTRATES NEGLIGENCE, INCOMPETENCE, OR MALFEASANCE;

4 (2) Shall cooperate with and coordinate investigative efforts with the  
5 Medicaid Fraud Control Unit and where a preliminary investigation establishes a sufficient  
6 basis to warrant referral, shall refer such matters to the Medicaid Fraud Control Unit; and

7 (3) Shall cooperate with and coordinate investigative efforts with  
8 departmental programs and other State and federal agencies to ensure a provider is not  
9 subject to duplicative audits.

10 (b) (1) The Inspector General, ~~THE COMPLIANCE OFFICER,~~ or a designated  
11 Assistant Inspector General may subpoena any person or evidence, administer oaths, and  
12 take depositions and other testimony for the purpose of investigating fraud, waste, [or]  
13 abuse of departmental funds, OR BEHAVIOR IN THE DEPARTMENT THAT THREATENS  
14 PUBLIC SAFETY OR DEMONSTRATES NEGLIGENCE, INCOMPETENCE, OR  
15 MALFEASANCE.

16 (2) If a person fails to comply with a lawful order or subpoena issued under  
17 this subsection, on petition of the Inspector General, ~~THE COMPLIANCE OFFICER,~~ or a  
18 designated Assistant Inspector General, a court of competent jurisdiction may compel:

19 (i) Compliance with the order or subpoena; or

20 (ii) Testimony or the production of evidence.

21 **(C) WITHIN 7 BUSINESS DAYS AFTER RECEIVING A COMPLAINT OR**  
22 **ALLEGATION, THE INSPECTOR GENERAL, THE COMPLIANCE OFFICER, OR A**  
23 **DESIGNATED ASSISTANT INSPECTOR GENERAL SHALL RESPOND TO THE**  
24 **INDIVIDUAL WHO FILED THE COMPLAINT OR ALLEGATION WITH:**

25 **(1) A PRELIMINARY INDICATION OF WHETHER THE OFFICE OF THE**  
26 **INSPECTOR GENERAL IS ABLE TO INVESTIGATE THE COMPLAINT OR ALLEGATION;**  
27 **AND**

28 **(2) IF THE OFFICE OF THE INSPECTOR GENERAL IS UNABLE TO**  
29 **INVESTIGATE THE COMPLAINT OR ALLEGATION:**

30 **(I) THE REASON FOR NOT BEING ABLE TO INVESTIGATE; AND**

31 **(II) THE CONTACT INFORMATION FOR THE OFFICE OF**  
32 **LEGISLATIVE AUDITS FRAUD HOTLINE.**

~~Article State Finance and Procurement~~

~~11 101.~~

~~(a) In this Division II the following words have the meanings indicated unless:~~

~~(1) the context clearly requires a different meaning; or~~

~~(2) a different definition is provided for a particular title or provision.~~

~~(d) "Board" means the Board of Public Works.~~

~~13 228.~~

~~(A) WITHIN 90 DAYS AFTER THE MARYLAND DEPARTMENT OF HEALTH AWARDS AN EMERGENCY PROCUREMENT CONTRACT, THE BOARD SHALL SUBMIT TO THE SECRETARY OF HEALTH AN AUDIT OF THE PROCUREMENT CONTRACT THAT IS COMPLETED BY AN AUDITOR THAT IS NOT A UNIT OR AN EMPLOYEE OF THE STATE OR A LOCAL GOVERNMENT.~~

~~(B) A COPY OF THE COMPLETED AUDIT SUBMITTED UNDER SUBSECTION (A) OF THIS SECTION SHALL BE KEPT PUBLICLY AVAILABLE BY THE BOARD AND THE MARYLAND DEPARTMENT OF HEALTH.~~

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.