

Department of Legislative Services
 Maryland General Assembly
 2025 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 740
 Finance

(Senator Folden)

Health Care Facilities - Warrior Community Members (SFC Matthew Fast Act for Warrior Healthcare)

This bill requires each “health care facility” to screen each patient for information on the patient’s eligibility as a “warrior community member” and include the information in the patient’s medical record. For the purpose of improving health care equity for warrior community members, each health care facility must identify warrior community members as a vulnerable population and comply with the standards associated with the National Patient Safety Goal to Improve Health Care Equity established by the Joint Commission. By December 1, 2026, and annually thereafter, the Maryland Department of Health (MDH) must report to the Governor and the General Assembly on (1) the needs of warrior community members; (2) the extent to which each health care facility meets the needs of warrior community members; and (3) a description of progress made toward health care equity for warrior community members.

Fiscal Summary

State Effect: MDH general fund expenditures increase by at least \$628,800 in FY 2026 for staff and technology expenses, as discussed below. Future years reflect annualization and ongoing costs. Revenues are not affected.

(in dollars)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	628,800	649,500	656,200	663,300	670,200
Net Effect	(\$628,800)	(\$649,500)	(\$656,200)	(\$663,300)	(\$670,200)

Note: () = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: The bill does not materially affect local government operations or finances.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary: “Health care facility” means a facility or an office where health care is provided to patients by a health care practitioner or group of health care practitioners licensed, certified, or otherwise authorized by law to provide health care services. “Health care facility” includes a hospital, a freestanding medical facility, a nursing facility, a residential treatment center, a rehabilitation facility, and a facility operated by MDH, the Behavioral Health Administration (BHA), or a health officer.

“Warrior community member” means a service member, a veteran, the spouse of a service member or veteran, or a child or stepchild of a service member or veteran.

Current Law: MDH owns and operates [various health care facilities](#), including inpatient psychiatric hospitals, regional institutes for children and adolescents, and developmental disabilities centers. BHA specifically operates five psychiatric facilities. Some local health officers oversee clinics at local health departments.

“Hospital” means an institution that (1) has a group of at least five physicians who are organized as medical staff for the institution; (2) maintains facilities to provide, under the supervision of medical staff, diagnostic and treatment services for two or more unrelated individuals; and (3) admits or retains the individuals for overnight care.

“Freestanding medical facility” means a facility (1) in which medical and health services are provided; (2) is physically separate from a hospital or hospital grounds, as specified; (3) that is an administrative part of a hospital; or (4) that meets the requirements for provider-based status under the certification for an affiliated hospital as set forth by the Centers for Medicare and Medicaid Services.

“Nursing facility” means a facility that provides skilled nursing care and related services, rehabilitation services, and health related care and services above the level of room and board needed on a regular basis in accordance with the federal Social Security Act.

“Residential treatment center” means a psychiatric institution that provides campus-based intensive and extensive evaluation and treatment of children and adolescents with severe and chronic emotional disturbances who require a self-contained therapeutic, educational, and recreational program in a residential setting.

“Comprehensive rehabilitation facility” means (1) any person that provides or holds himself out as providing comprehensive physical rehabilitation services on an outpatient basis; or (2) a hospital that is licensed as a special rehabilitation hospital.

State Expenditures: The bill requires all health care facilities (including those run by the State) to screen each patient for their eligibility as a warrior community member and comply with specified standards. Additionally, MDH must annually report on the needs of warrior community members, the extent to which each health care facility meets the needs of warrior community members, and a description of progress made toward health care equity for warrior community members.

MDH advises that the department is unable to meet the bill’s requirements with existing resources. Therefore, MDH general fund expenditures increase by *at least* \$628,751 in fiscal 2026, which accounts for the bill’s October 1, 2025 effective date. This estimate reflects the cost of hiring one information technology (IT) program analyst to aggregate and analyze data reported by all health care facilities in the State and one part-time (50%) health policy analyst to compile and complete the annual report. It includes salaries, fringe benefits, one-time start-up costs, technology expenses (as discussed below), and ongoing operating expenses.

Positions	1.5
Salary and Fringe Benefits	\$114,427
Minimum Technology Expenses	500,000
Operating Expenses	<u>14,324</u>
Total FY 2026 State Expenditures	\$628,751

Future year expenditures reflect full salaries with annual increases and employee turnover as well as annual increases in ongoing operating expenses and annual ongoing technology expenses. This estimate does not reflect any costs associated with enforcing compliance with the bill’s requirements.

To report on the extent to which each health care facility in the State meets the needs of warrior community members and a description of progress made toward health care equity for warrior community members, MDH must engage in statewide data collection and analysis that will involve establishing data-sharing agreements, modifying IT systems, and enhancing coordination with health care providers to ensure accurate reporting. MDH estimates that technology expenses associated with collecting specified information regarding warrior community members are *at least* \$500,000 annually.

Small Business Effect: Small business health care facilities must meet the bill’s requirement to screen each patient for eligibility as a warrior community member, comply with the specified standards, and report specified information to MDH.

Additional Comments: [The Joint Commission](#) is a nonprofit organization that evaluates health care organizations and encourages safe and effective health care. The

Joint Commission's [*National Patient Safety Goal to Improve Health Care Equity*](#) aims to identify and address disparities in health care quality and access.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Maryland Department of Health; Department of Veterans and Military Families; Military Department; Department of Legislative Services

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