

Department of Legislative Services
 Maryland General Assembly
 2025 Session

FISCAL AND POLICY NOTE
 First Reader

House Bill 1376 (Delegate Pena-Melnyk)
 Health and Government Operations

Maryland Department of Health - Provision of Health Care Services - Study

This bill requires the Maryland Department of Health (MDH) to include in a specified contract a requirement that an independent consultant study the current provision of health care services in the State. If the contract has been entered into before the effective date of the bill, MDH must amend the contract to expand the study as specified by the bill. The bill also expands the contents of the report MDH must submit to specified committees of the General Assembly by January 1, 2026. **The bill takes effect June 1, 2025.**

Fiscal Summary

State Effect: Likely no effect in FY 2025. MDH general fund expenditures increase by an estimated \$75,000 in FY 2026 to expand the study, as discussed below. Revenues are not affected.

(in dollars)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	75,000	0	0	0	0
Net Effect	(\$75,000)	\$0	\$0	\$0	\$0

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

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary/Current Law: Chapters 794 and 795 of 2024 require MDH to contract with an independent consultant to study the Health Services Cost Review Commission

(HSCRC), the Maryland Health Care Commission (MHCC), the Maryland Community Health Resources Commission (MCHRC), and the Maryland Insurance Administration (MIA), as specified. The independent consultant must seek input from MDH, HSCRC, MHCC, MCHRC, and MIA in conducting the study. By January 1, 2026, MDH must report to the Governor, the Senate Finance Committee, and the House Health and Government Operations Committee on the results of the study.

The bill requires MDH to include in the contract a requirement that the independent consultant study the current provision of health care services in the State, including programs and payors, and make recommendations to consolidate payors and programs to maximize health care coverage for residents of the State.

The bill also requires the report MDH must submit to include (1) a comprehensive synthesis of completed analyses of the State's existing health care finance and delivery system; (2) a review of strategies implemented in other states to ensure universal access to health care; and (3) recommendations for strategies the State should consider to ensure coverage and timely access to high quality, affordable health care for all Marylanders, as well as potential funding options to implement the recommended strategies.

State Expenditures: MDH advises that it has not yet entered into a contract for the study required by Chapters 794 and 795. Under the bill, MDH must include in the contract a requirement that an independent consultant study the current provision of health care services in the State. Thus, MDH general fund expenditures increase by an estimated \$75,000 in fiscal 2026 only.

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; Maryland Insurance Administration; Department of Legislative Services

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