

SB0515/343624/1

BY: Health Committee

AMENDMENTS TO SENATE BILL 515
(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “**Facilities –**” and substitute “**Facilities**”; in line 3, after “**Setting**” insert “**Study**”; strike beginning with “authorizing” in line 5 down through “facility” in line 9 and substitute “requiring the Commission, in consultation with certain entities, to conduct a certain analysis of hospital spending and make recommendations on or before a certain date”; and strike in their entirety lines 10 through 19, inclusive.

AMENDMENT NO. 2

On page 2, after line 2, insert:

“SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Health Services Cost Review Commission, in consultation with the Maryland Health Care Commission and the Maryland Insurance Administration, shall:

(1) analyze and make policy recommendations on:

(i) the total level of spending on physician and other professional provider services provided in Maryland hospitals, inclusive of both hospital reimbursement and physician and other professional provider reimbursement, relative to the cost of providing those services in Maryland hospitals;

(ii) methods to ensure reasonable funding for the physician and other professional provider component of providing services in a hospital, if a deficiency in the net reimbursement exists relative to the cost of providing the services;

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(iii) methods to maintain stability within and equitable access to providers in hospital and nonhospital based settings; and

(iv) methods to ensure the State's ability to meet the commitments under the Achieving Health Efficiency through Accountable Design (AHEAD) model;

(2) for each policy recommendation made under item (1) of this section, assess:

(i) the impact of any resulting hospital rate increases on health insurance premiums across the individual, small group, large group, and public program markets;

(ii) the impact on total health care expenditures in the State;

(iii) the impact on the viability of independent physician and other professional provider practices and the extent to which the policies would incentivize vertical integration between hospitals and physician and other professional provider practices; and

(iv) the extent to which increased hospital revenues may be directly attributed to physician or other professional provider service, including any proposed mechanisms to ensure that funds are used for their intended purpose;

(3) make recommendations on methods for ensuring adequate physician and other professional provider revenue that:

(i) do not solely rely on increasing hospital rates; and

(ii) will not result in hospital rates growing at a rate faster than the all-payer total cost of care growth target or negatively impact the State’s ability to achieve primary care investment targets as established by the State;

(4) make recommendations for legislation establishing appropriate guardrails for the Health Services Cost Review Commission’s authority to consider additional costs incurred or expenditures made by a facility in connection with the operation of the facility in carrying out its authority under § 19–219 of the Health – General Article; and

(5) on or before January 1, 2027, report its findings and recommendations to the Senate Finance Committee and the House Health Committee, in accordance with § 2-1257 of the State Government Article.”.

On pages 2 through 5, strike in their entirety the lines beginning with line 3 on page 2 through line 2 on page 5, inclusive.

On page 5, in line 3, strike “3.” and substitute “2.”.