

HOUSE BILL 498

J3
HB 1515/25 – HGO

6lr1335
CF 6lr1336

By: **Delegate Cullison**

Introduced and read first time: January 27, 2026

Assigned to: Health

A BILL ENTITLED

1 AN ACT concerning

2 **Certificate of Need – Intermediate Health Care Facilities**

3 FOR the purpose of repealing the exemption from the certificate of need requirement for a
4 change in bed capacity for certain intermediate care facilities that offer substance
5 use disorder treatment services; altering the circumstances under which a certificate
6 of need is not required for a change in bed capacity at an intermediate health care
7 facility that offers medically managed substance use disorder treatment services;
8 exempting from the certificate of need requirement, under certain circumstances, the
9 establishment or operation of an intermediate health care facility that offers
10 medically managed residential substance use disorder treatment services; and
11 generally relating to certificates of need for intermediate health care facilities.

12 BY repealing and reenacting, with amendments,

13 Article – Health – General

14 Section 19–120(f) and (h)

15 Annotated Code of Maryland

16 (2023 Replacement Volume and 2025 Supplement)

17 BY adding to

18 Article – Health – General

19 Section 19–120(p)

20 Annotated Code of Maryland

21 (2023 Replacement Volume and 2025 Supplement)

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

24 **Article – Health – General**

25 19–120.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



4 (h) (1) A certificate of need is required before the bed capacity of a health care
5 facility is changed.

(2) This subsection does not apply to any increase or decrease in bed capacity if:

(i) For a health care facility that is not a hospital, during a 2-year period the increase or decrease would not exceed the lesser of 10 percent of the total bed capacity or 10 beds;

11 (ii) 1. The increase or decrease would change the bed capacity
12 for an existing medical service; and

2. A. The change would not increase total bed capacity;

14 B. The change is maintained for at least a 1-year period; and

15 C. At least 45 days prior to the change, the hospital provides
16 written notice to the Commission describing the change and providing an updated
17 inventory of the hospital's licensed bed complement;

18 (iii) 1. At least 45 days before increasing or decreasing bed
19 capacity, written notice of intent to change bed capacity is filed with the Commission;

30 C. Will result in the delivery of more efficient and effective
31 health care services; and

32 D. Is in the public interest; and

3. Within 45 days of receiving notice, the Commission
notifies the health care facility of its finding;

(iv) The increase or decrease in bed capacity is the result of the annual licensed bed recalculation provided under § 19-307.2 of this title; or

5 (v) 1. The increase or decrease in bed capacity will occur in[:

13 (P) A CERTIFICATE OF NEED IS NOT REQUIRED FOR THE ESTABLISHMENT
14 OR OPERATION OF AN INTERMEDIATE CARE FACILITY THAT OFFERS MEDICALLY
15 MANAGED RESIDENTIAL SUBSTANCE USE DISORDER TREATMENT SERVICES IF:

(D) IS NOT INCONSISTENT WITH THE STATE HEALTH PLAN:

22 (II) WILL RESULT IN THE DELIVERY OF MORE EFFICIENT AND
23 EFFECTIVE HEALTH CARE SERVICES: AND

(III) IS IN THE PUBLIC INTEREST

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
26 October 1, 2026.