



## DEPARTMENT OF HEALTH

*Larry Hogan, Governor · Boyd K. Rutherford, Lt. Governor · Robert R. Neall, Secretary*

March 5, 2020

The Honorable Delores G. Kelley, Chair  
Senate Finance Committee  
3 West, Miller Senate Building  
Annapolis, MD 21401-1991

**RE: SB 875 – Hospitals – Financial Assistance Policies and Bill Collections – Letter of Information with Amendments**

Dear Chair Kelley:

The Maryland Department of Health (Department) respectfully submits this letter of information with amendments for Senate Bill 875 (SB 875), titled “Hospitals – Financial Assistance Policies and Bill Collections”.

The Department supports the amendments (attached) offered by HSCRC to modify the bill so that statutory language in the Health – General Article and COMAR are in alignment. The Medical Assistance program consulted with HSCRC and the Maryland Health Care Commission on the development of this language and concurs with its intent.

Maryland Medicaid participants are not financially responsible for payments on health care services received; therefore, the provisions of SB 875 would not affect the Medicaid-enrolled population. If enacted, there would be an indeterminate fiscal impact on the Medicaid program, due to Maryland’s unique, all-payer approach to uncompensated care for acute care hospitals.

Under SB 875, the uncompensated care pool would likely increase, thereby increasing the amount owed by payers of health care—including Medicaid—according to the payer mix of hospital utilization in that year. Medicaid is typically about 20 percent of the hospital revenues, accounting for 21 percent of total hospital charges in FY 2019.

I hope this information is useful. If you would like to discuss this further, please contact Director of Governmental Affairs, Webster Ye, at (410) 260-3190 or [webster.ye@maryland.gov](mailto:webster.ye@maryland.gov).

Sincerely,

Robert R. Neall  
Secretary