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**MARYLAND HEALTH CARE COMMISSION**  
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March 9, 2021

The Honorable Shane E. Pendergrass  
Chair, Health and Government Operations Committee  
Maryland House of Delegates  
Room 241, House Office Building  
Annapolis, MD 21401

**RE: HB 936 – Hospitals and Freestanding Medical Facilities – Closing or Partial Closing – Public Notice – INFORMATION**

Dear Chair Pendergrass:

The Maryland Health Care Commission (the “Commission”) would like to provide the Health and Government Operations Committee with information related to House Bill 936 (HB 936). HB 936 seeks to add statutory requirements for public notice when hospitals close or partially close. The notice requirements in the introduced bill draft are detailed and specific. The Commission strongly supports processes that ensure that members of the public and elected officials are fully informed when health facilities propose significant changes to the delivery of health care services in their communities and regions.

The Commission’s statute (Health General §19–120(l)) does not require a Certificate of Need (CON) for the closure of a hospital if the hospital provides notice to the Commission at least 90 days before the closing. Similarly, a CON is not required for partial closure of a hospital with 45 days notice to the Commission.

The Commission’s regulations (COMAR 10.24.01.B) contain public notice provisions for hospital closures. The Commission’s regulations require that the Commission publish notice in at least one newspaper of daily circulation in the affected area and the next available issue of the Maryland Register of its receipt of the notice from the facility of the proposed closure or partial closure. The Commission must provide this public notice within five days of receiving the notice from the facility. The Commission must mail the same notice to elected public officials in the district or county where the hospital is located.

For hospitals in jurisdictions with fewer than three hospitals, the hospital is also required to hold a public information hearing before the closing or partial closing. Before the public information

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The Honorable Shane Pendergrass

March 9, 2021

Page 2

hearing, the hospital must provide public notice of the proposed closure or partial closure, including publication in at least one newspaper of daily circulation in the affected area. This notice must include the time and location of the required public informational hearing.

A public information hearing is required for hospitals that are converting to a freestanding medical facility (FMF). Five Maryland hospitals have converted or are proposing to convert to a FMF. The hospitals are required to provide a record of the public information hearing within 14 days elected leadership in the jurisdiction, to statewide officials including the Governor, and to the Commission. The Commission attended the four public information hearings that have been held to date for hospitals converting to FMFs. The fifth hospital, Grace Medical Center at LifeBridge Health (formerly Bon Secours Baltimore Hospital), announced its plans to convert to a FMF in February 2020, but this hospital has not submitted an exemption request due to the Public Health Emergency (PHE). The Commission continues to monitor LifeBridge Health's plans for Grace Medical Center. The Commission believes that, if any additional public notice requirements are needed, those changes could be accomplished through regulation, with few, if any, changes to the statute. If statutory changes are considered, it is important to note that there are differences between closures that are related to hospital conversions to freestanding medical facilities, hospital closures with no conversion, and partial closures with respect to time frames and impact on the community. The Commission urges the Committee to take these differences into consideration in considering this bill.

I hope the Committee finds this information useful. Please feel free to contact me at [ben.steffen@maryland.gov](mailto:ben.steffen@maryland.gov), or Tracey DeShields, Director of Policy Development, at [tracey.deshields2@maryland.gov](mailto:tracey.deshields2@maryland.gov) if you have any questions.

Sincerely,



Ben Steffen,  
Executive Director  
Maryland Health Care Commission

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