

March 28, 2023

The Honorable Josaline Peña-Melnyk Chair, House Health and Government Operations Committee Room 241, House Office Building Annapolis, MD 21401

RE: Senate Bill 404 - Hospitals - Financial Assistance - Medical Bill Reimbursement Process - Letter of Information

Dear Chair Peña-Melnyk and Committee Members:

The Health Services Cost Review Commission (HSCRC) submits this letter of information for Senate Bill 404 titled, "Hospitals – Financial Assistance – Medical Bill Reimbursement." The purpose of this letter is to provide additional information related to the hospital medical bill reimbursement process.

This letter has been revised based on amendments made to the bill in the Senate. The amendments added penalty provisions to the bill which allow HSCRC to fine non-compliant hospitals. Some members of the General Assembly have raised questions about the amount of the fines. The penalty provisions in the amended bill are similar to the penalties that apply to hospital provision of financial assistance in current law (Health General §19-213.3(d)). The amount of the fine is identical to current law.

The information in the written testimony submitted by HSCRC to the Senate Finance Committee for the bill hearing on February 23, 2023 remains relevant to this amended bill. Within that testimony, HSCRC noted the inherent risks of sharing personally identifiable data. HSCRC wants to assure the Committee that, while that concern remains, the Commission is dedicated to working with the hospitals and the other state agencies named in this bill to ensure that patient data is transferred securely.

The HSCRC remains committed to ensuring that patients in Maryland have access to free and reduced-cost hospital care. Thank you for your consideration of the information in this letter. If you have any questions or if we may provide you with any further information, please do not hesitate to contact me at me at katie.wunderlich@maryland.gov or Megan Renfrew, Associate Director of External Affairs, at 410-382-3855 or megan.renfrew1@maryland.gov.

Sincerely,

Adam Kane, Esq. Chairman

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