

Wes Moore, Governor · Aruna Miller, Lt. Governor · Laura Herrera Scott, M.D., M.P.H., Secretary

February 4, 2025

The Honorable Pamela Beidle Chair, Senate Finance Committee 3 East Miller Senate Office Building Annapolis, MD 21401-1991

RE: SB 376 – Health Facilities – Delegation of Inspection Authority – Nursing Homes – Letter of Opposition

Dear Chair Beidle and Committee Members:

The Maryland Department of Health (Department) respectfully submits this letter of opposition for Senate Bill 376 – Health Facilities – Delegation of Inspection Authority – Nursing Homes.

The Office of Health Care Quality (OHCQ) is the designated State survey agency in Maryland and is authorized to conduct certification activities on behalf of the Centers for Medicare & Medicaid Services (CMS). Through State and federal authority, OHCQ conducts surveys to determine compliance with State licensure and/or federal certification regulations, which establish the minimum requirements to remain licensed and/or certified.

SB 376 requires the delegation of OHCQ's state survey authority to a county upon request for the purpose of conducting site visits and full surveys of nursing homes. It also mandates equal sharing of costs between OHCQ and the county for site visits and full surveys. OHCQ would continue to be responsible for all federal oversight activities of nursing homes regardless of a delegation agreement being in place.

A state-level agency such as OHCQ provides equal protection and regulatory oversight for all Maryland's nursing home residents, ensuring consistent compliance with federal and state regulations across Maryland. Fragmenting OHCQ's oversight activities by geography and delegating authority to requesting counties, as proposed in SB 376, will lead to increased complexity, redundancy of efforts, and diversion of statewide resources to a requesting county. For example, OHCQ would need to coordinate with county nurse surveyors on survey activities, including scheduling to ensure efforts are not duplicated. Notably, as OHCQ continues to make progress in decreasing the backlog of surveys and complaints, diverting funds from its operations will make it more difficult for OHCQ to continue to make progress.

OHCQ's existing operating budget would be reduced by the bill's mandate to pay 50% of any participating county's cost. This would result in \$786,976 for the first fiscal year for one county and \$3,395,627 by the fifth fiscal year (FY 2030) if accounting for a new county participating

each year.

For all of the reasons stated above, we respectfully oppose SB 376. If you would like to discuss this further, please do not hesitate to contact Sarah Case-Herron, Director of Governmental Affairs, at sarah.case-herron@maryland.gov.

Sincerely,

Laura Herrera Scott, M.D., M.P.H.

Secretary