



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

February 12, 2025

The Honorable Joseline Peña-Melnyk
Chair, Health and Government Operations Committee
240 Taylor House Office Building
Annapolis, MD 21401-1991

RE: HB 547 - Hospitals - Price Transparency - Requirements and Fund - Letter of Opposition

Dear Chair Peña-Melnyk and Committee Members:

The Maryland Department of Health (MDH) respectfully submits this letter of opposition for House Bill 547 - Hospitals - Price Transparency - Requirements and Fund.

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.

HB 547 requires Maryland hospitals to comply with the federal price transparency law and to maintain and list standard charges for “shoppable” services available to the public. It also requires the Secretary of Health to monitor the hospitals’ compliance with the law. OHCQ, as the Secretary's designee, does not have existing authority to investigate or dispute any billing practices for hospitals or any other provider. Currently, concerns submitted to OHCQ about suspicious billing practices by hospitals are referred to appropriate agencies for investigation, such as the Maryland Medicaid Fraud Unit or the Office of the Inspector General within the U.S. Department of Health and Human Services (DHHS).

This bill would require significant resources to implement the enforcement requirements, which are not included in the Governor’s allowance. Passage of HB 547 would require creating a new unit within OHCQ at \$667,761 at a minimum for the ongoing costs of staff and administration needed to conduct the hospital pricing requirements (triage, survey, and webpage build). These costs also do not include the additional costs for the public information campaign and other requirements. OHCQ estimates that the cost associated with operationalizing the bill for 63 licensed or certified hospitals in Maryland far outweighs any fines that would ultimately be collected from hospital non-compliance. For these reasons, the Department respectfully requests an unfavorable report on HB 547.

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