



UNFAVORABLE

SB515/HB616 – Health Services Cost Review Commission – Health Facilities – Jurisdiction and Rate Setting

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We Oppose SB515/HB616

On behalf of our 200,000 followers across the state, we respectfully object to this bill. This bill would arbitrarily extend the jurisdiction and authority of the Maryland Health Services Cost Review Commission (HSCRC), in practice giving the State financial auditing power over community-based Pregnancy Resource Centers (PRCs) who receive no public funding and do not bill for services. This bill is unnecessary and amounts to **viewpoint discrimination** against pro-life speech and providers.

This **weaponization of the administrative State** over charitable PRCs stands in stark contrast with the fact that the State of Maryland is one of only 3 states that refuses to report abortion data, including abortion rate and cost data, to the CDC or State.

The bill also fails to articulate or substantiate a public need to regulate these no-fee service centers, which will come at a substantial cost to both taxpayers and to the community-based centers that provide free support to pregnant women in Maryland.

Pregnancy Centers Provide Free Services to Women and Families

Pregnancy Resource Centers are typically charitable, nonprofit, community-based organizations that fully rely on private donations. Many PRCs are ministry programs of faith-based organizations. PRCs provide testing and counseling to women and families in marginalized communities. They offer pregnancy testing, counseling, parenting education, diapers, formula, clothing and adoption referrals at little to no cost. Some PRC's operate under the direction of a licensed Medical Director, who may be either a licensed physician or nurse practitioner. Those centers have the ability to provide limited obstetric ultrasounds. In the case of medical PRC's, medical providers already comply with state and professional licensure requirements.

PRCs do not function like hospitals and do not generate revenue like for-profit health systems. Empowering the State to impose hospital-level rate setting and reporting requirements exclusively over these not for profit centers will be overly burdensome, forcing many PRCs to close and cutting off **critical services to vulnerable women and children most in need. *And that is the object of this bill.***

This application of the HSCRC to PRCs is improper and unnecessary for the following reasons:

- **PRC's do not engage in commercial billing** and cost structures that do not apply to donation-funded or free services. This would likely impose pointless administrative burdens (rate applications, reporting, audits, potential user fees) on entities whose "rates" are zero or nominal, ***raising due process and rationality concerns under both the Maryland and U.S. constitutions.***

- **Burdens religious liberty and free exercise:** Many PRCs are faith-based and view their work as a religious mission to support life and families. Regulatory compliance costs, operational changes, or oversight would substantially burden religious exercise without a compelling government interest narrowly tailored (strict scrutiny under cases like *Fulton v. City of Philadelphia* or other applications of the Religious Freedom Restoration Act). **Viewpoint discrimination claims will arise if enforcement disproportionately targets pro-life organizations.**
 - The proposed regulation applies selectively to nonprofits but not to other counseling or health-adjacent services, the result is unequal application of the law. Public policy should remain content-neutral and avoid targeting specific viewpoints or service models.
- **Infringes on First Amendment and equal protection:** If the expanded regulatory burden chills protected speech or association (e.g., counseling that includes moral or religious perspectives on pregnancy), or treats similarly situated charitable entities differently from other nonprofits, it invites legal challenges. Forcing compliance could effectively compel centers to alter or cease certain activities—or even close their doors entirely, due to the regulatory burden.
- **Lack of targeted justification:** Without any specific evidence that PRCs drive health care cost inflation—which is unlikely since most do not bill insurance or even charge for their services—the regulation appears arbitrary, *especially* for centers offering no medical services.
- **Centers without medical services have an even stronger case:** they provide primarily non-medical social services (counseling, material support) and should not be regulated as health facilities at all.

Love them both

This bill stands in conflict with the fact that 81% of Americans polled favor laws that protect both the lives of women and unborn children. PRCs provide free support services to women and children in need. This legislation seeks to weaponize the State against these community and faith-based centers in an attempt to solidify the abortion industry’s monopoly over women’s reproductive health. Instead the State should support health and family planning services which have the objective of saving the lives of both mother and children, including programs to support pregnant women, provide parenting classes, and refer to adoption services.

For these reasons, we urge your unfavorable report, or at minimum, your amendment to exclude jurisdiction over not for profit Pregnancy Resource Centers.