



February 20, 2026

Senator Pam Beidle
Finance Committee, Chairwoman
3 East Miller Senate Office Building
11 Bladen St., Annapolis, MD 21401

RE: SB 515 - Health Services Cost Review Commission- Health Facilities- Jurisdiction and Rate Setting

Dear Chairwoman Beidle,

Thank you for the opportunity to provide written testimony on SB 515, concerning the authority of the Health Services Cost Review Commission (HSCRC). Health care affordability remains one of the most pressing challenges facing Maryland consumers, and hospitals play a central role in overall healthcare spending in Maryland. Decisions made by the HSCRC regarding hospital revenue and rate updates have broad implications for consumer affordability across the state.

As a consumer-first coalition, Health Means Everything (HME) hopes any legislation that might affect the evaluation of hospital costs is carefully structured to ensure both financial stability and consumer protection. At its core, SB515 raises important questions about how hospital finances are assessed, how physician-related losses are understood, and how adding additional, broadly defined costs to the equation could impact healthcare costs.

While we appreciate the intent behind SB 515 to comprehensively capture hospital financial conditions, we believe the effort is better undertaken first as a study of the implications of such a change, to ensure this policy does not continue the recent trend of shifting costs to consumers.

With respect to the language of the legislation as drafted, HME respectfully offers the following considerations in relation to this bill.

Any legislation expanding the authority of the HSCRC should include guardrails to ensure consumer protection. If signed into law, this legislation would grant authority to consider **“all cost incurred or expenditures incurred”** when evaluating facility finances and potential rate changes. While comprehensive oversight is important, the bill language should be accompanied by clearer definitions and guardrails that prevent expansive interpretations. Such broad language runs a clear risk of inflating hospital budgets, which will ultimately harm the affordability of health care for employers, patients, and taxpayers.

Beyond needing to clarify the scope and limits of these broadly defined "costs or expenditures", the legislation would benefit from stipulated requirements on the level of evidence cost studies would need to prove, and ensure that cost adjustment are supported by clear analysis. Low consumer costs are a longstanding goal of the state of Maryland. The type of undefined expansion this bill considers, without clear guardrails, could unintentionally ramp up financial pressure for consumers.

In addition, we **strongly recommend the bill clearly define which categories of providers qualify as “professional providers” eligible for cost consideration, specify why each included category is appropriate for consideration, and limit eligibility to providers whose services are directly related to hospital-regulated services and demonstrably impact patient access.** SB 515 does not clearly define who qualifies as a “professional provider.” This lack of clarity raises significant concerns about application.

Without such clarity, the terms could be interpreted broadly to include a wide range of professionals beyond those directly tied to hospital-based clinical services. That expansion could substantially increase costs across the system. Clear definitions would prevent broad interpretations and ensure that the policy remains transparent.

Without clearer definitions, targeted implementation, and explicit consumer protections, this bill risks making changes that could increase healthcare spending.

For these reasons, we recommend the subject first be studied to create more clearly defined recommendations with an evaluation of the potential impacts for consumers.

Thank you for your consideration,

Ashiah Parker,

Chair, Health Means Everything Consumer Alliance