



Maryland
Hospital Association

House Bill 599- Health - Licensure of Hospitals - Ownership Requirements

Position: *Letter of Information With Amendment*

March 24, 2026

Senate Finance Committee

MHA Position

On behalf of the Maryland Hospital Association's (MHA) member hospitals and health systems, we appreciate the opportunity to provide information on House Bill 599 and suggest an amendment to protect access to care.

While Maryland does not require hospitals to be a nonprofit as a condition of licensure, all of the acute care hospitals in the state are nonprofits. Nonprofit hospitals receive tax-exempt status because of the community benefits they are expected to deliver. That said, there are a few health care providers that are not nonprofits who deliver long-term care services which fill a critical need.

Acute care hospitals across the state continue to face significant operational challenges related to discharge delays and post-acute placement shortages. Patients who are medically ready for discharge often remain in hospital beds because they are awaiting placement such as in an inpatient rehabilitation hospital. The ED Wait Times Reduction Commission's [interim report](#) highlights post-acute care shortages as a significant driver of increased ED boarding and wait times owing to reduced available inpatient capacity.

To safeguard against unintended consequences that may further reduce or impede access to post-acute care, we are requesting an amendment to ensure essential post-acute care providers are not prevented from operating in Maryland.

Proposed Amendment

On pg. 2, line 5 insert:

(K) (1) THIS SUBSECTION APPLIES ONLY TO A HOSPITAL CLASSIFIED:
(I) UNDER 19-307(A)(1)(I) OF THIS SUBTITLE AS A GENERAL HOSPITAL; OR
(II) UNDER 19-307(A)(1)(II) OF THIS SUBTITLE AS A SPECIAL HOSPITAL.

On pg. 2, line 5, renumber (K)(1) to (K)(2) and (K2) to (K3).

For more information, please contact:

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