

SENATE BILL 663

J2, K3

6lr2739
CF 6lr2737

By: **Senators Kramer, Lam, and A. Washington**
Introduced and read first time: February 6, 2026
Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Nursing Homes – Direct Care Wages and Benefits and Cost Reports**

3 FOR the purpose of requiring a nursing home to expend at least a certain percentage of its
4 total nursing and residential care revenue for direct care wages and benefits;
5 requiring nursing homes to annually submit a certain cost report to the Maryland
6 Department of Health; and generally relating to nursing homes.

7 BY adding to
8 Article – Health – General
9 Section 16–209 and 16–210
10 Annotated Code of Maryland
11 (2023 Replacement Volume and 2025 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
13 That the Laws of Maryland read as follows:

14 **Article – Health – General**

15 **16–209.**

16 **(A) IN THIS SECTION, “DIRECT CARE WAGES AND BENEFITS” MEANS THE**
17 **DIRECT CARE WORKFORCE WAGES AND BENEFITS FOR NURSING, DIETARY,**
18 **RESTORATIVE THERAPY, ACTIVITIES, AND SOCIAL WORKER STAFF.**

19 **(B) A NURSING HOME SHALL EXPEND AT LEAST 75% OF ITS TOTAL NURSING**
20 **AND RESIDENTIAL CARE REVENUE FOR DIRECT CARE WAGES AND BENEFITS.**

21 **16–210.**

2 REPRINT OF SENATE BILL 663 as amended by SB0663/353229/1 02/27/26 at 12:59 PM

1 (A) ON OR BEFORE SEPTEMBER 1 EACH YEAR, BEGINNING IN 2027, EACH
2 NURSING HOME SHALL SUBMIT TO THE DEPARTMENT A COST REPORT IN THE FORM
3 AND MANNER REQUIRED BY THE DEPARTMENT.

4 (B) THE COST REPORT REQUIRED UNDER SUBSECTION (A) OF THIS SECTION
5 SHALL:

6 (1) INCLUDE:

7 (I) DOCUMENTATION OF WAGE DISBURSEMENT; AND

8 (II) ANY OTHER INFORMATION THE DEPARTMENT DETERMINES
9 IS APPROPRIATE; AND

10 (2) BE SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE
11 NURSING HOME UNDER PENALTY OF PERJURY.

12 (C) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE
13 DEPARTMENT MAY TAKE APPROPRIATE ENFORCEMENT ACTION AGAINST A
14 NURSING HOME IF THE NURSING HOME:

15 (I) FAILS TO SUBMIT A COST REPORT AS REQUIRED;

16 (II) SUBMITS AN INACCURATE, INCOMPLETE, OR INVALID COST
17 REPORT; OR

18 (III) FAILS TO PAY THE WAGES IN THE AMOUNT REQUIRED.

19 (2) THE ENFORCEMENT ACTION THAT THE DEPARTMENT MAY TAKE
20 UNDER PARAGRAPH (1) OF THIS SUBSECTION INCLUDES:

21 (I) IMPOSITION OF A CORRECTIVE PLAN; AND

22 (II) SUSPENSION OR TERMINATION FROM THE MARYLAND
23 MEDICAL ASSISTANCE PROGRAM.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 October 1, 2026.