

**HB 1563\_3rd\_prudent layperson standard\_SAA.pdf**

Uploaded by: Allison Taylor

Position: FAV



Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc  
4000 Garden City Drive  
Hyattsville, MD 20785

March 25, 2026

The Honorable Pamela Beidle  
Senate Finance Committee  
3 East, Miller Senate Office Building  
11 Bladen Street  
Annapolis, Maryland 21401

**RE: HB 1563 – Support as Amended**

Dear Chair Beidle and Members of the Committee:

On behalf of Kaiser Permanente, I am writing to express our support for House Bill 1563 as amended. We would like to extend our sincere appreciation to the Speaker for her collaborative approach throughout the legislative process. Their willingness to engage in productive dialogue and work closely with us on the House amendments ensured that the final version of the bill effectively balances the policy goals with the practicalities of healthcare delivery.

Kaiser Permanente remains committed to providing high-quality, affordable care to our members in Maryland, and we believe this legislation, in its current form, represents a positive step forward. We respectfully request a favorable report on HB 1563.

Thank you for the opportunity to comment. Please feel free to contact me at [Allison.W.Taylor@kp.org](mailto:Allison.W.Taylor@kp.org) or (919) 818-3285 with questions.

Sincerely,

A handwritten signature in cursive script that reads "Allison Taylor".

Allison Taylor  
Head of Government Relations  
Kaiser Permanente Mid-Atlantic Region

# **XHB 1563-Emergency Room Services and Post-Acute Ca**

Uploaded by: Andrew Nicklas

Position: FAV



Maryland  
Hospital Association

## House Bill 1563- Emergency Room Services and Post-Acute Care - Coverage and Facility Studies

**Position: *Support as Amended***

March 25, 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 comment in support of House Bill 1563 as amended. This legislation would strengthen the delivery of health care in Maryland by strengthening oversight over denials for services provided in emergency departments (EDs), as well as by addressing the broader challenges associated with post-acute care capacity and patient throughput.

Maryland law defines an emergency medical condition as an acute condition, such as chest pain or severe abdominal pain, that a prudent layperson with an average knowledge of health and medicine would reasonably believe requires immediate medical attention. This standard exists so that patients do not hesitate to seek emergency care out of fear that they will be stuck with large out-of-pocket costs if the final diagnosis turns out to be less severe. This aligns with the provisions of the federal Emergency Medical Treatment and Labor Act (EMTALA) that requires providers to examine and stabilize anyone who comes to the emergency department without delay, regardless of insurance status or ability to pay. Hospitals must act immediately based on the symptoms the patient presents with, not on a diagnosis that can only be known after necessary medical evaluation and tests are completed.

However, in practice, payers often lower or deny payment for a claim based on the final diagnosis rather than the symptoms the patient presented with. For example, a patient presenting with crushing chest pain must receive a thorough work-up to eliminate the possibility of it being a heart attack. If tests later show a less severe cause of the pain, such as indigestion or a panic attack, some plans will only pay a nominal triage fee while denying a portion of the claim arguing that the diagnostic tests or other evaluative components were medically unnecessary

These denials have become a significant operational and financial challenge for hospitals. MHA's review of the Health Services Cost Review Commission (HSCRC) data found that in FY 2024, **one in seven ED claims was denied—roughly 245,000 claims totaling about \$77 million**. These denials cause hospitals to lose millions of dollars in rightful reimbursement, in addition to requiring them to expend significant resources submitting, processing, and unnecessarily contesting claims. At the same time, these practices can create confusion and financial anxiety for patients who appropriately sought emergency treatment.

As amended, HB 1563 would help alleviate some of these challenges by enabling the Maryland Insurance Administration to investigate payers who consistently, wrongfully, deny claims for ED services by deeming these services as medically unnecessary or by imposing other utilization review requirements. This would help promote greater accountability in payer practices, ensure that reimbursement decisions appropriately reflect clinical practice and realities, and potentially reduce administrative burdens, allowing providers to focus resources on patient care.

Furthermore, the bill also directs the Maryland Health Care Commission and HSCRC, to study hospital and post-acute care bed capacity and recommend options that can facilitate effective transitions from acute to post-acute care settings. 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 an appropriate skilled nursing facility, rehabilitation placement, or other level of care is unavailable. The ED Wait Times Reduction Commission's [interim report](#) also highlights post-acute care shortages as being a significant driver of increased ED boarding and wait times owing to reduced available inpatient capacity. A clearer understanding of where bottlenecks exist in the continuum of care is critical to developing sustainable policy solutions and addressing systemic capacity challenges.

For these reasons, we request a favorable report on HB 1563 as amended.

For more information, please contact:

Andrew Nicklas, Senior Vice President, Government Affairs & Policy and General Counsel  
Anicklas@mhaonline.org

# **HB1563 - Senate\_FAV\_LifeSpan\_Emergency Room Servic**

Uploaded by: Danna Kauffman

Position: FAV



*Keeping You Connected...Expanding Your Potential...  
In Senior Care and Services*

Senate Finance Committee

March 25, 2026

House Bill 1563 – *Emergency Room Services and Post-Acute Care – Coverage and Facility  
Studies*

**POSITION: SUPPORT**

On behalf of the LifeSpan Network, the largest and most diverse senior care provider association in Maryland representing nursing facilities, assisted living providers, continuing care retirement communities, medical adult day care centers, senior housing communities and other home and community-based services, we **support as amended** House Bill 1563, which requires the Maryland Health Care Commission, in consultation with the Maryland Health Services Cost Review Commission to conduct two studies – one on bed counts related to hospitals and post-acute care facilities and one on the transitions from hospitals to post-acute care facilities.

LifeSpan supports both studies. Transitions from an acute care facility to a post-acute care setting can present multifaceted challenges, many of which stem from staffing limitations and financial constraints. Financial constraints may include when health insurance carriers (often Medicare Advantage) fail to approve the nursing home stay. In addition, because nursing home reimbursement rates are expected to cover all required patient care, residents who require high-cost medications create financial challenges that facilities may struggle to absorb. Similarly, there may be limitations on nursing homes' ability to accept patients on certain behavioral health medications that would be classified as a "restraint" and not permitted in a nursing home. Staffing is also a significant concern, particularly on weekends. Ongoing workforce shortages mean that when staff call out, facilities may be unable to maintain required staffing ratios, limiting their ability to safely accept new admissions.

We request a favorable report.

**For more information call:**

Danna L. Kauffman

Christine K. Krone

410-244-7000

# **HB1563 Testimony Senate Hrng .pdf**

Uploaded by: Joseline Peña-Melnyk

Position: FAV

JOSELINE A. PEÑA-MELNYK  
Legislative District 21  
Prince George's and  
Anne Arundel Counties

—  
SPEAKER OF THE HOUSE



Annapolis Office  
101 State House, H-101  
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—  
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## *The Maryland House of Delegates*

ANNAPOLIS, MARYLAND 21401

### **House Bill 1563 – Emergency Room Services and Post–Acute Care – Coverage and Facility Studies**

Good afternoon Chair Beidle, Vice Chair Hayes and members of the Finance Committee. Thank you for the opportunity to present House Bill 1563.

As this committee is well aware, Maryland's emergency room wait times are among the longest in the country. In 2024, the General Assembly enacted legislation to establish the Maryland Emergency Department Wait Time Reduction Commission (Wait Time Reduction Commission) to address factors throughout the health care system that contribute to increased Emergency Department wait times. The Commission submitted an annual report in November 2025. Among the report's key findings is the significant impact of post-acute care shortages in both long-term care hospitals and skilled nursing facilities on delaying discharges. The report also found that data fragmentation across acute, post-acute, and community settings hampers system coordination and policy design.

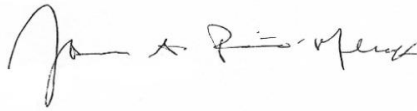
Two of the Wait Time Reduction Commission's selected priorities are standardizing bed capacity and occupancy metrics and improving post–acute access.

House Bill 1563 addresses the standardization of metrics by requiring the Maryland Health Care Commission (MHCC) and the Health Services Cost Review Commission (HSCRC) to conduct a study to quantify the State's bed capacity in post–acute care settings and in hospitals and make recommendations for a collection and auditing process through which hospital and post–acute beds are reported to MHCC and HSCRC each year. The bill addresses access to post–acute services by requiring MHCC and HSCRC to conduct a study analyzing options to facilitate clinically appropriate transitions from acute to post–acute care settings. The findings of both studies are due to the Senate Finance Committee and House Health Committee by January 1, 2027. Access to post–acute services is also addressed in the bill by requiring insurance carriers to include in MIA's annual appeals and grievances summary report, data on adverse decisions related to admissions to skilled nursing facilities and inpatient rehabilitation facilities.

Finally, the bill addresses the impact of insurance denials on emergency room utilization by authorizing the Insurance Commissioner to conduct an examination of any carrier that has issued a pattern of adverse decisions for a claim or authorization request for services in an emergency department and authorizes the Commissioner to have the adverse decisions independently reviewed.

House Bill 1563 will compliment and inform the work of the Emergency Wait Time Reduction Commission and assist the State in our continued efforts to provide timely health care in the most appropriate setting. I urge a favorable report.

Sincerely,

A handwritten signature in black ink, appearing to read "John A. Peña-Melnyk". The signature is written in a cursive style with a large initial "J" and a long horizontal stroke.

Delegate Peña-Melnyk

**HB 1563 - MIA - Support - FIN.pdf**

Uploaded by: Marie Grant

Position: FAV

WES MOORE  
Governor

ARUNA MILLER  
Lt. Governor

MARIE GRANT  
Commissioner

JOY Y. HATCHETTE  
Deputy Commissioner



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[www.insurance.maryland.gov](http://www.insurance.maryland.gov)

**Date:** March 25, 2026

**Bill # / Title:** House Bill 1563 - Emergency Room Services and Post-Acute Care - Coverage and Facility Studies

**Committee:** Senate Finance Committee

**Position:** Support

The Maryland Insurance Administration (“MIA”) appreciates the opportunity to provide support for House Bill 1563.

The bill would authorize the Maryland Insurance Commissioner to conduct examinations of certain decisions related to emergency service claims or authorization requests. The bill also adds a requirement that the MIA must include data on adverse decisions and grievances related to post-acute services, including admissions to skilled nursing and inpatient rehabilitation facilities, to the annual appeals and grievances summary report to the General Assembly under § 15-10A-05 of the Insurance Article.

House Bill 1563 will improve the ability of the MIA to monitor and take action regarding insurance denials of emergency services in emergency departments. Denials of ER visits for medical necessity are few in Maryland, and declined from 199 to 61 between 2023 and 2024, a decrease of 69.3%. But it is unclear why even this small number of ER denials persist, given the requirements of the Emergency Medical Treatment and Labor Act (EMTALA) and current Maryland law. The bill also improves monitoring of denials of post-acute services, where denials may lead to an inability for hospitals to efficiently discharge patients and thereby exacerbate emergency department wait times.

For the reasons set forth above, the MIA recommends a favorable committee report on House Bill 1563 and thanks the Committee for the opportunity to share its support.

# **HB1563\_The LeagueofLifeandHealth Insurers\_FAV**

Uploaded by: Matt Celentano

Position: FAV



15 School Street, Suite 200  
Annapolis, Maryland 21401  
410-269-1554

March 25, 2026

The Honorable Pamela Beidle  
Chair, Senate Finance Committee  
3 East Miller Senate Office Building  
Annapolis, Maryland 21401

**House Bill 1563 – Emergency Room Services and Post-Acute Care - Coverage and Facility Studies**

Dear Chair Beidle,

The League of Life and Health Insurers of Maryland, Inc. thank Speaker Peña-Melnyk and her staff for working with the League on *House Bill 1563 – Emergency Room Services and Post-Acute Care - Coverage and Facility Studies*. League members are comfortable with the bill as amended and passed the House. We appreciate the opportunity to collaborate and urge the committee to give HB 1563 a favorable report.

Sincerely,

A handwritten signature in black ink, appearing to read "Matthew Celentano".

Matthew Celentano  
Executive Director

cc: Members, Senate Finance Committee

# HB 1563 - FAV.pdf

Uploaded by: Megan Peters

Position: FAV



# *Maryland Senior Citizens Action Network*

## **MSCAN**

*AARP Maryland*

*Baltimore Jewish  
Council*

*Catholic Charities of  
Baltimore*

*Central Maryland  
Ecumenical Council*

*Church of the Brethren*

*Episcopal Diocese of  
Maryland*

*Housing Opportunities  
Commission of  
Montgomery County*

*Lutheran Office on  
Public Policy in  
Maryland*

*Maryland Association of  
Area Agencies on Aging*

*Maryland Catholic  
Conference*

*Mental Health  
Association of Maryland*

*Mid-Atlantic LifeSpan*

*National Association of  
Social Workers,  
Maryland Chapter*

*Presbytery of Baltimore*

*The Coordinating  
Center*

*MSCAN Co-Chairs:  
Carol Lienhard  
Megan Peters  
410-921-9005*

The Maryland Senior Citizens Action Network (MSCAN) is a statewide coalition of advocacy groups, service providers, faith-based and mission-driven organizations that support policies that meet the housing, health, and quality of care needs of Maryland's low and moderate-income seniors.

**MSCAN supports HB 1563.** This bill provides protections for individuals seeking emergency medical care and strengthens Maryland's post-acute care infrastructure. The bill will prohibit insurers, nonprofit health service plans, and health maintenance organizations from denying coverage for certain emergency room services under circumstances where a prudent layperson would reasonably believe emergency treatment was necessary. This safeguard is important for older adults living with chronic or complex health conditions who may experience symptoms that feel emergent in the moment. Preserving this protection ensures that older Marylanders are not penalized with costly retroactive denials after doing the right thing and seeking immediate care.

The bill also requires insurers to provide more detailed reporting on adverse decisions and grievances involving admissions to Skilled Nursing Facilities (SNFs) and Inpatient Rehabilitation Facilities (IRFs). Older adults are the primary users of these services, yet families often encounter denials or delays that can extend hospital stays, disrupt recovery, or lead to premature or unsafe discharges. By improving transparency around when and why these determinations occur, HB 1563 will help Maryland better identify the obstacles that slow care transitions for older adults and contribute to avoidable strain on hospitals.

Lastly, HB 1563 mandates two critical statewide studies to (1) address bed capacity in post-acute settings and (2) analyze options to facilitate clinically appropriate transitions from acute to post-acute care settings. This will ensure that Maryland will have the data and recommendations needed to modernize a strained system and improve continuity of care for all Marylanders, including our older adults.

By reducing inappropriate denials, improving regulatory oversight, and investing in data-driven system reform, this bill will support the well-being of older Marylanders and the families and providers who care for them. For these reasons, MSCAN urges a favorable report on HB 1563.

**2026 MOTA HB 1563 Senate Side.pdf**

Uploaded by: Michael Paddy

Position: FAV



# Maryland Occupational Therapy Association

PO Box 36401, Towson, Maryland 21286 ♦ [mota-members.com](http://mota-members.com)

<b>Committee:</b>	<b>Senate Finance Committee</b>
<b>Bill Number:</b>	<b>House Bill 1563</b>
<b>Title:</b>	<b>Emergency Room Services and Post-Acute Care - Coverage and Facility Studies</b>
<b>Hearing Date:</b>	<b>March 23, 2026</b>
<b>Position:</b>	<b>Support</b>

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The Maryland Occupational Therapy Association (MOTA) supports House Bill 1563 - Emergency Room Services and Post-Acute Care - Coverage and Facility Studies. The bill strengthens protections for patients by requiring health insurers to cover emergency room services regardless of whether the hospital or provider is in-network. It prohibits insurers from denying emergency care based solely on diagnosis codes and prevents stricter rules for non-contracted providers. The bill also increases transparency by requiring insurers to submit quarterly reports on emergency care claims, grievances, and adverse decisions.

Occupational therapy practitioners (OTPs) support the bill because it helps ensure patients receive uninterrupted care after emergency treatment, which is critical for recovery and rehabilitation. By protecting coverage for emergency services and examining post-acute care capacity, the bill supports smoother transitions to rehab, skilled nursing, or home health settings where OTPs often provide services. Increased insurance reporting and oversight may also reduce inappropriate denials that delay therapy. Overall, the bill aligns with occupational therapy's focus on timely intervention, functional recovery, and safe discharge planning.

We ask for a favorable report. If we can provide any further information, please contact Michael Paddy at [mpaddy@policypartners.net](mailto:mpaddy@policypartners.net).

# **HB1563 crossover bill - FAV - Emergency Room Servi**

Uploaded by: Richard KAP Kaplowitz

Position: FAV

HB1563\_CrossoverBill\_RichardKaplowitz\_FAV  
03/25/2026

Richard Keith Kaplowitz  
Frederick, MD 21703

**TESTIMONY ON CROSSOVER BILL HB#1563 POSITION: FAVORABLE**

**Emergency Room Services and Post-Acute Care - Coverage and Facility Studies**

TO: Chair Beidle, Vice Chair Hayes, and members of the Finance Committee

FROM: Richard Keith Kaplowitz

My name is Richard Keith Kaplowitz. I am a resident of District 3, Frederick County. I am submitting this testimony in support of crossover bill HB#1563, **Emergency Room Services and Post-Acute Care - Coverage and Facility Studies**

This bill personally affected me when I was advocating for my late son's care last year in a nursing and rehabilitation facility after release from a hospital. Despite the critical emergency treatment at the hospital that required his rehabilitation to fully regain strength and mobility, on five separate occasions during his nursing home stay, United Healthcare attempted to stop paying for that care. Regardless of what the on-site staff and doctors reported on the status of his recovery UHC was determined to not have to pay his sizable care bill.

This bill will mandate an individual, group, or blanket policy or contract issued or delivered in the state by an insurer, a nonprofit health service plan, or a health maintenance organization may not deny a covered emergency room service solely on the basis that the insured or enrollee did not experience an emergency medical condition, as defined in the law.

Emergency and other care denials will become known by requiring the Commissioner to compile an annual summary report based on the information provided by the healthcare payor. That report shall include data on adverse decisions and grievances related to post-acute services, including adverse decisions and grievances relating to admissions to skilled nursing facilities and inpatient rehabilitation facilities; report any violations or actions taken under law and provide copies of the summary report to the Governor and to the General Assembly.

This bill will prohibit certain policies and contracts issued by insurers, nonprofit health service plans, and health maintenance organizations from denying insurance coverage for certain emergency room services under certain circumstances; requiring the Maryland Health Care Commission, in conjunction with the Health Services Cost Review Commission, to conduct a study to quantify bed capacity in hospitals and post-acute settings in the State and make a recommendation on a certain collection and auditing process; etc.

The results of the report can guide future actions of the legislature to address problems identified.

**I respectfully urge this committee to return a favorable report on crossover bill HB#1563.**

# **HB 1563 Emergency Room Services & Post-Acute Care**

Uploaded by: Sara Westrick

Position: FAV



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1-866-542-8163 | Fax: 410-837-0269  
aarp.org/md | md@aarp.org | twitter: @aarpm  
facebook.com/aarpm

**HB 1563 - Emergency Room Services & Post-Acute Care – Coverage and Facility Studies**  
**Senate Finance Committee**  
**March 25, 2026**  
**FAVORABLE**

Good afternoon, Chair Beidle and members of the committee. My name is Sara Westrick, Advocacy Director for AARP Maryland, one of the largest membership-based organizations in the state, with approximately 850,000 members. We represent the interests of Maryland's over 50 population.

We offer this testimony in support of House Bill 1563, which strengthens emergency room coverage protections, increases transparency in insurer decision-making, and directs the State to conduct urgently needed studies on hospital and post-acute care capacity. Older Marylanders, who experience longer hospital stays, more complex health conditions, and frequent transitions to post-acute care, stand to benefit significantly from this legislation.

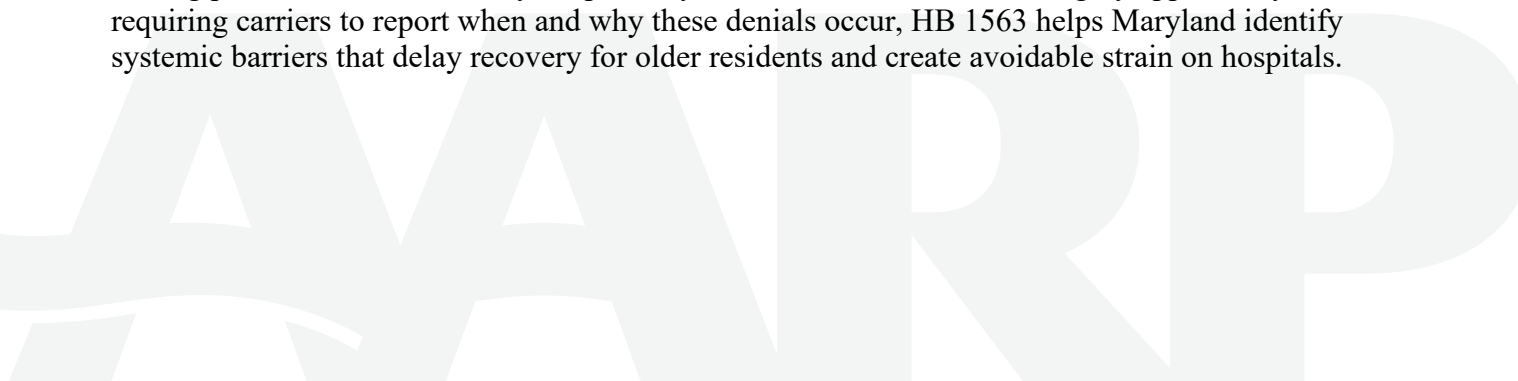
**Protecting Older Adults Seeking Emergency Care**

HB 1563 ensures that insurers cannot deny coverage for an emergency room visit solely because the final diagnosis did not meet the technical definition of an “emergency medical condition.”

For older residents, this protection is especially critical. Many seniors live with chronic illnesses that can produce symptoms that feel like an emergency but may not be classified as one in hindsight. When an older adult does the right thing and seeks immediate care, they should not be punished later with a retroactive denial simply because their symptoms turned out to be something less severe.

If you reasonably believed you were having an emergency, your insurance should cover the emergency room visit. This prevents unexpected bills that can devastate seniors living on fixed incomes.

The bill requires insurers to report more detailed information about adverse decisions and grievances related to admissions to Skilled Nursing Facilities (SNFs) and Inpatient Rehabilitation Facilities (IRFs). Older adults are the primary users of these services. Yet families routinely describe experiences in which insurers deny or delay authorization for these transfers, forcing patients into unnecessary hospital days, unsafe returns home, or lengthy appeals. By requiring carriers to report when and why these denials occur, HB 1563 helps Maryland identify systemic barriers that delay recovery for older residents and create avoidable strain on hospitals.



Maryland has faced a prolonged challenge with hospital overcrowding, emergency department boarding, and limited post-acute capacity, particularly affecting older adults who need rehabilitation or nursing facility care before returning home.

HB 1563 directs the Maryland Health Care Commission and the Health Services Cost Review Commission to conduct the most comprehensive statewide bed capacity assessment to date, which will greatly enhance understanding of the State's bed capacity situation.

The bill also requires a dedicated study of clinically appropriate transitions from acute to post-acute settings, including barriers and potential solutions. This will be critical information to help identify practical strategies to improve outcomes and reduce costs across the entire system.

### **Conclusion**

HB 1563 is thoughtful, balanced legislation that protects older adults in moments of crisis and invests in a clearer, stronger post-acute care system for the future.

On behalf of older Marylanders, and the families, caregivers, and providers who support them, AARP Maryland urges a favorable report on House Bill 1563.

If you have any questions, please contact me at [swestrick@aarp.org](mailto:swestrick@aarp.org) or 410-310-0374.

**2026 Session - MHCC Position Statement - HB 1563 -**

Uploaded by: Douglas Jacobs

Position: FWA



**2026 SESSION**  
**POSITION PAPER**

**BILL NO:**               **HB 1563**

**COMMITTEE:**       **Senate Finance**

**POSITION:**           **Support As Amended**

**TITLE:**               **HB 1563 - Emergency Room Services and Post-Acute Care - Coverage and Facility Studies**

**BILL ANALYSIS**

*HB 1563 - Emergency Room Services and Post-Acute Care - Coverage and Facility Studies* prohibits insurance carriers from denying coverage for certain emergency department services. It further mandates that the Maryland Health Care Commission (MHCC) and the Health Services Cost Review Commission (HSCRC) jointly study hospital and post-acute care bed capacity, improve data auditing processes, and identify strategies to facilitate efficient patient transitions between care settings.

**POSITION AND RATIONALE**

The MHCC supports as amended HB 1563 for its focus on modernizing Maryland's health planning and data infrastructure and for working towards addressing the sources of extended stays in Emergency Departments and hospital units post-admission.

Emergency Department (ED) wait times have been a longstanding challenge in Maryland, with the length of stay (LOS) frequently exceeding national averages. These concerns regarding patient experience and hospital efficiency predate the implementation of the Maryland Model.

Multiple potential reasons for extended wait times suggest that broader, systemic factors are contributing to the state's difficulties. Furthermore, recent Census data indicates that Maryland's population is aging faster than the national average. This trend may further exacerbate wait times due to increased patient acuity and more complex hospitalizations.

In addition to monitoring the impact of an aging population, the state anticipates shifts in insurance coverage as Maryland implements the new Medicaid eligibility requirements under H.R. 1.

During the 2024 legislative session, the Maryland General Assembly passed House Bill 1143 (Chapter 0844), which established the Maryland Emergency Department Wait Times Commission.

The purpose of the Commission is to examine and address factors throughout the health care system that contribute to increased emergency department (ED) wait times. The Commission issued an interim report in November 2025 and one of the findings and recommendations is to strengthen the State's data infrastructure by developing a reliable and user-friendly reporting mechanism to comprehensively assess capacity across all healthcare settings, both in real-time and in annual assessments. That work is in process and will result in recommendations by the end of this year.

HB 1563 is aligned with this specific recommendation in the following ways:

- **Standardized Capacity Metrics:** The bill establishes a coordinated framework to quantify bed capacity across the care continuum. MHCC recognizes that existing capacity constraints directly impact emergency department efficiency and overall care delivery, and the goal of establishing standardized definitions would ultimately improve the data to quantify bed capacity in the State.
- **Strategic Alignment:** The mandated study integrates MHCC's health planning and Certificate of Need (CON) oversight with HSCRC's financial and utilization data. This partnership ensures that capacity planning and solutions are driven by both clinical demand and the Total Cost of Care model.
- **Data Integrity:** By prioritizing standardized auditing and data quality, HB 1563 addresses current reporting deficiencies that can mischaracterize facility capacity. Strengthening these processes ensures that future policy developments are based on accurate, actionable analytics.



In addition to extended wait times in emergency departments, hospitals have also reported extended stays for certain patients admitted to their facilities due to challenges with discharging these patients when they are ready to be transitioned to clinically appropriate post-acute care settings. This situation creates bottlenecks that keep patients in a high acuity, high-cost level of care that can also contribute to extended wait times in the emergency department, because inpatient beds are occupied by patients waiting to be discharged to post-acute care. This legislation would fund work to identify the causes of post-acute care discharge delays and potential policy options to address such factors.

For these reasons, the Maryland Health Care Commission respectfully requests a favorable report on House Bill 1563.



**HB1563 - HSCRC - LOSAA - FIN.pdf**

Uploaded by: Janice Lepore

Position: FWA



March 23, 2026

The Honorable Pamela Beidle  
Chair, Senate Finance Committee  
3 East Miller Senate Office Building  
Annapolis, Maryland 21401

**RE: House Bill 1563 - Emergency Room Services and Post Acute Care - Coverage and Facility Studies - Letter of Support As Amended**

Dear Chair Beidle and Committee Members:

The Health Services Cost Review Commission (HSCRC) respectfully submits this Letter of Support As Amended for House Bill 1563 (HB1563) - Emergency Room Services and Post Acute Care - Coverage and Facility Studies.

As amended, HB1563 would authorize the Maryland Insurance Commissioner to conduct an examination of a carrier that has issued a pattern of adverse decisions or grievance decisions for claims or authorization requests related to services in an emergency department, authorize the Commissioner to have such decisions reviewed by an independent review organization, and require the Commissioner to include in the annual summary report data on adverse decisions and grievances related to post-acute services. HB1563 would also require the Maryland Health Care Commission, (MHCC) in conjunction and consultation with the HSCRC, to conduct a study quantifying bed capacity in hospitals and post-acute settings and an analysis of options to facilitate clinically-appropriate transitions from acute to post-acute care settings.

Emergency Department (ED) length of stay (LOS) is recognized as a longstanding challenge for Maryland hospitals. State efforts to improve community access to health care, strengthen crisis and emergency resources, and reduce avoidable utilization have produced meaningful declines in ED visits per capita within Maryland over the past decade. In addition, hospital investments and collaborative work with payers, emergency services and local and state agencies have reduced ED LOS in more than half of Maryland hospitals over the past year. Despite these improvements, addressing ED LOS length of stay continues to be a statewide priority, with wait times that still exceed national averages and negatively impact patient experience and hospital efficiency.

There is no single or simple cause of lengthy ED LOS, and correspondingly there is no single or simple solution. However, one of the key areas identified as an opportunity for

improvement is developing stronger, standardized, and universally accessible data resources. Several data streams and analytical tools are currently in use or in development within Maryland, including bed capacity data, daily bed status and occupancy reporting, and tools that will provide real-time information about capacity across hospital units as well as statewide trends. However, these efforts are hampered by discrepancies across data sources and gaps in reporting, both within and across acute and post-acute care settings. These limitations contribute to the challenges hospitals and EDs experience when attempting to ensure timely, and clinically appropriate patient discharge and care transitions, and ultimately impact hospital throughput as well as ED LOS.

The studies proposed within HB1563 will establish clear and standardized methods for quantifying hospital and post-acute care beds statewide, including definitions for key bed types, and a count of physical, staffed and licensed beds in each hospital and post-acute care setting, as well as a careful analysis of options to facilitate clinically-appropriate care transitions from acute to post-acute settings. These processes will improve visibility into overall bed access and capacity across the state, help identify areas of needed capacity, and may clarify other root cause barriers contributing to lengthy ED LOS. With this information, HSCRC, other state agencies, and partners throughout the health care sector will be better positioned to ensure more equitable access to high quality, affordable health care across Maryland.

For these reasons, the Health Services Cost Review Commission (HSCRC) strongly supports HB1563 as amended, and encourages the Committee to return a favorable report.

If you have any questions, please feel free to contact me at [jon.kromm@maryland.gov](mailto:jon.kromm@maryland.gov).

Sincerely,



Jon Kromm  
Executive Director