

# SENATE BILL 231

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9lr1750  
CF HB 487

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By: **Senator Della**

Introduced and read first time: January 23, 2009

Assigned to: Finance

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 10, 2009

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **State Health Services Cost Review Commission – Health Care Facilities**  
3 **~~– Annual Reports of Compensation~~ Required Forms**

4 FOR the purpose of requiring certain health care facilities to submit to the State  
5 Health Services Cost Review Commission ~~annual reports of certain~~  
6 ~~compensation~~ a certain form at certain times; and generally relating to ~~the~~  
7 ~~reporting of the compensation of officers, directors, and executives of health care~~  
8 ~~facilities and of regulated lobbyists engaged by those facilities~~ filing of required  
9 forms by health care facilities.

10 BY repealing and reenacting, with amendments,  
11 Article – Health – General  
12 Section ~~19-212~~ 19-216  
13 Annotated Code of Maryland  
14 (2005 Replacement Volume and 2008 Supplement)

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

17 **Article – Health – General**

18 ~~19-212.~~

19 ~~The Commission shall:~~

20 ~~(1) Require each facility to disclose publicly:~~

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



- 1                   (i) ~~Its financial position; and~~
- 2                   (ii) ~~As computed by methods that the Commission determines,~~  
 3 ~~the verified total costs incurred by the facility in providing health services;~~
- 4                   (2) ~~Review for reasonableness and certify the rates of each facility;~~
- 5                   (3) ~~Keep informed as to whether a facility has enough resources to~~  
 6 ~~meet its financial requirements;~~
- 7                   (4) ~~Concern itself with solutions if a facility does not have enough~~  
 8 ~~resources; [and]~~
- 9                   (5) ~~Assure each purchaser of health care facility services that:~~
- 10                   (i) ~~The total costs of all hospital services offered by or through a~~  
 11 ~~facility are reasonable;~~
- 12                   (ii) ~~The aggregate rates of the facility are related reasonably to~~  
 13 ~~the aggregate costs of the facility; and~~
- 14                   (iii) ~~Rates are set equitably among all purchasers of services~~  
 15 ~~without undue discrimination; AND~~
- 16                   **(6) ~~REQUIRE EACH FACILITY TO SUBMIT TO THE COMMISSION AN~~**  
 17 **~~ANNUAL REPORT OF THE COMPENSATION, INCLUDING SALARIES, BONUSES, AND~~**  
 18 **~~PERQUISITES, OF:~~**
- 19                   **(I) ~~EACH OFFICER, DIRECTOR, AND EXECUTIVE OF THE~~**  
 20 **~~FACILITY AND ANY PARENT COMPANY OR SUBSIDIARY OF THE FACILITY; AND~~**
- 21                   **(II) ~~ANY INDIVIDUAL ENGAGED BY A FACILITY OR A PARENT~~**  
 22 **~~COMPANY OR SUBSIDIARY OF THE FACILITY AS A REGULATED LOBBYIST, AS~~**  
 23 **~~DEFINED UNDER § 15-102 OF THE STATE GOVERNMENT ARTICLE, FOR THE~~**  
 24 **~~PURPOSE OF LOBBYING THE GENERAL ASSEMBLY ON BEHALF OF THE FACILITY.~~**
- 25 19-216.
- 26                   (a) At the end of the fiscal year for a facility, at least 120 days following a  
 27 merger or a consolidation, and at any other interval that the Commission sets, the  
 28 facility shall file:
- 29                   (1) A balance sheet that details its assets, liabilities, and net worth;
- 30                   (2) A statement of income and expenses; [and]

1           **(3) THE MOST RECENT FORM 990 THAT THE FACILITY FILED**  
2 **WITH THE INTERNAL REVENUE SERVICE; AND**

3           ~~[(3)]~~ **(4) Any other report that the Commission requires about costs**  
4 **incurred in providing services.**

5           **(b) (1) A report under this section shall:**

6                           **(i) Be in the form that the Commission requires;**

7                           **(ii) Conform to the uniform accounting and financial reporting**  
8 **system adopted under this subtitle; and**

9                           **(iii) Be certified as follows:**

10                           **1. For the University of Maryland Hospital, by the**  
11 **Legislative Auditor; or**

12                           **2. For any other facility, by its certified public**  
13 **accountant.**

14                           **(2) If the Commission requires, responsible officials of a facility also**  
15 **shall attest that, to the best of their knowledge and belief, the report has been**  
16 **prepared in conformity with the uniform accounting and financial reporting system**  
17 **adopted under § 19-211 of this subtitle.**

18           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
19 October 1, 2009.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.