

SENATE BILL 649

J3

EMERGENCY BILL

9lr0948

By: **Senator Klausmeier**

Introduced and read first time: February 4, 2019

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 15, 2019

CHAPTER _____

1 AN ACT concerning

2 **Health Care Facilities – Change in Bed Capacity – Certificate of Need**
3 **Exemption**

4 FOR the purpose of exempting an increase or decrease in bed capacity from the certificate
5 of need requirement if the increase or decrease will occur in an certain intermediate
6 care facility, ~~or a certain general hospice program, or a certain hospital with acute~~
7 ~~psychiatric beds under certain circumstances~~ and certain written notice is filed with
8 the Maryland Health Care Commission at least a certain number of days before
9 increasing or decreasing bed capacity; requiring the Commission to review a certain
10 chapter of the State Health Plan and, under certain circumstances, report to certain
11 committees of the General Assembly on or before a certain date; making a technical
12 change; making this Act an emergency measure; and generally relating to
13 certificates of need for a change in bed capacity.

14 BY repealing and reenacting, with amendments,
15 Article – Health – General
16 Section 19–120(h)
17 Annotated Code of Maryland
18 (2015 Replacement Volume and 2018 Supplement)

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

21 **Article – Health – General**

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 19–120.

2 (h) (1) A certificate of need is required before the bed capacity of a health care
3 facility is changed.

4 (2) This subsection does not apply to any increase or decrease in bed
5 capacity if:

6 (i) For a health care facility that is not a hospital, during a 2–year
7 period the increase or decrease would not exceed the lesser of 10 percent of the total bed
8 capacity or 10 beds;

9 (ii) 1. The increase or decrease would change the bed capacity
10 for an existing medical service; and

11 2. A. The change would not increase total bed capacity;

12 B. The change is maintained for at least a 1–year period; and

13 C. At least 45 days prior to the change, the hospital provides
14 written notice to the Commission describing the change and providing an updated
15 inventory of the hospital’s licensed bed complement;

16 (iii) 1. At least 45 days before increasing or decreasing bed
17 capacity, written notice of intent to change bed capacity is filed with the Commission;

18 2. The Commission in its sole discretion finds that the
19 proposed change:

20 A. Is pursuant to the consolidation or merger of two or more
21 health care facilities, or conversion of a health care facility or part of a facility to a
22 nonhealth–related use;

23 B. Is not inconsistent with the State health plan or the
24 institution–specific plan developed by the Commission;

25 C. Will result in the delivery of more efficient and effective
26 health care services; and

27 D. Is in the public interest; and

28 3. Within 45 days of receiving notice, the Commission
29 notifies the health care facility of its finding; [or]

30 (iv) The increase or decrease in bed capacity is the result of the
31 annual licensed bed recalculation provided under § [19–307] **19–307.2** of this title; OR

1 (v) 1. THE INCREASE OR DECREASE IN BED CAPACITY WILL
2 OCCUR IN:

3 A. AN INTERMEDIATE CARE FACILITY THAT OFFERS
4 RESIDENTIAL OR INTENSIVE SUBSTANCE-RELATED DISORDER TREATMENT
5 SERVICES AND HAS A CURRENT LICENSE ISSUED BY THE SECRETARY; OR

6 B. AN EXISTING GENERAL HOSPICE PROGRAM THAT HAS
7 A CURRENT LICENSE ISSUED BY THE SECRETARY; ~~OR~~ AND

8 ~~C. A HOSPITAL WITH ACUTE PSYCHIATRIC BEDS THAT~~
9 ~~HAS A CURRENT LICENSE ISSUED BY THE SECRETARY, IF THE CHANGE IN BED~~
10 ~~CAPACITY RESULTS IN AN INCREASE OR DECREASE IN BED CAPACITY ONLY FOR~~
11 ~~ACUTE PSYCHIATRIC CARE; AND~~

12 2. AT LEAST 45 DAYS BEFORE INCREASING OR
13 DECREASING BED CAPACITY, WRITTEN NOTICE OF THE INTENT TO CHANGE BED
14 CAPACITY IS FILED WITH THE COMMISSION.

15 SECTION 2. AND BE IT FURTHER ENACTED, That the Maryland Health Care
16 Commission shall:

17 (1) review the chapter of the State Health Plan on Psychiatric Services;
18 Emergency Medical Services; and

19 (2) if regulations are not adopted that update the chapter of the State
20 Health Plan on Psychiatric Services; Emergency Medical Services on or before December
21 30, 2019, provide a report on the review required under item (1) of this section to the Senate
22 Finance Committee and House Health and Government Operations Committee in
23 accordance with § 2-1246 of the State Government Article on or before December 30, 2019.

24 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act is an emergency
25 measure, is necessary for the immediate preservation of the public health or safety, has
26 been passed by a yea and nay vote supported by three-fifths of all the members elected to
27 each of the two Houses of the General Assembly, and shall take effect from the date it is
28 enacted.