

Department of Legislative Services
Maryland General Assembly
2021 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 936 (Delegate Lisanti)
Health and Government Operations

**Hospitals and Freestanding Medical Facilities - Closing or Partial Closing -
Public Notice**

This bill expands specified notice requirements related to the closing or partial closing of a hospital or freestanding medical facility. The Maryland Health Care Commission (MHCC) is authorized to require the person proposing the closure or partial closure of a hospital or freestanding medical facility to publish and send the required notices.

Fiscal Summary

State Effect: MHCC's finances and operations are not materially affected; additional responsibilities can be handled with existing resources.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: MHCC must publish notice of the proposed closing or partial closing of a hospital or freestanding medical facility within 15 days after receiving the notice of the proposed closing. Any required notice must be published at least once a week for two consecutive weeks in a daily or weekly newspaper of general circulation in the geographical area in which the hospital or freestanding medical facility is located. MHCC must require that notice of any informational meeting or a public hearing be given by mail to each person requesting the meeting or hearing, or to the person's authorized representatives, and to elected officials of the district in which the hospital or freestanding medical facility is located. MHCC must also post the notice, including specified

information, on its website and must provide a method for interested persons to request any additional notices related to the closure or partial closure of a hospital or freestanding medical facility.

MHCC must ensure that the notice of the proposed closing or partial closing of a hospital or freestanding medical facility is (1) available to the public for inspection and copying and (2) provided to the local governing body and the members of the General Assembly who represent the district in which the hospital or freestanding medical facility is located. The notice must be provided in writing and electronically to each member of the local governing body and each member of the General Assembly who represents the district.

MHCC must publish notice of any informational meeting held by the hospital or freestanding medical facility proposing closing or partial closing, as required by statute, and must provide additional notice by requiring that the notice be posted at the hospital or freestanding medical facility.

Current Law: Generally, a certificate of need is not required to close any health care facility or part of a health care facility if at least 90 days before the closing, or at least 45 days before the partial closing of the health care facility, a person proposing to close all or part of the health care facility files notice with MHCC.

Chapter 420 of 2016, among other things, expanded the circumstances under which a hospital must hold a public informational hearing and established additional notice and reporting requirements. A hospital must hold a public informational hearing in the county where the hospital is located if the hospital (1) files a notice of the proposed closing; (2) requests a specified exemption from MHCC to convert the hospital to a freestanding medical facility; or (3) is located in a county with fewer than three hospitals and files a notice of the partial closing of the hospital. MHCC *may* otherwise require a health care facility that files notice of its proposed closing or partial closing to hold a public informational hearing. Any public informational hearing must be held by the health care facility, in consultation with MHCC, within 30 days after the facility files notice with MHCC.

MHCC must establish requirements for a public informational hearing by regulation. The regulations must require the hospital to address specified information related to the closure, partial closure, or conversion.

Within 10 working days after a public informational hearing, the hospital must provide a written summary of the hearing to the Governor, the Secretary of Health, the governing body of the county in which the hospital is located, the local health department and local board of health, MHCC, and specified committees and members of the General Assembly.

Additional Information

Prior Introductions: Similar legislation has been considered in recent legislative sessions. HB 926 of 2020 and HB 1540 of 2018 each received a hearing in the House and Government Operations Committee, but no further action was taken on either bill.

Designated Cross File: None.

Information Source(s): Maryland Department of Health; Department of Legislative Services

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