

Chapter 959

(House Bill 328)

AN ACT concerning

Hospitals – Financial Assistance Policies – Revisions

FOR the purpose of altering the required contents of a hospital's financial assistance policy by removing the requirement that the provision of reduced-cost medically necessary care and payment plans be in accordance with the mission and service area of the hospital; ~~prohibiting~~ authorizing hospitals ~~from considering a household's~~ to consider only household monetary assets in excess of a certain amount in determining eligibility for free and reduced-cost care under the hospital's financial assistance policy; ~~rather than allowing hospitals to consider certain household monetary assets;~~ requiring that certain assets be excluded from consideration; and generally relating to hospitals and financial assistance policies.

BY repealing and reenacting, without amendments,

Article – Health – General
 Section 19–214.1(b)(1)
 Annotated Code of Maryland
 (2023 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Health – General
 Section 19–214.1(b)(2) and (8)
 Annotated Code of Maryland
 (2023 Replacement Volume)

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

Article – Health – General

19–214.1.

(b) (1) The Commission shall require each acute care hospital and each chronic care hospital in the State under the jurisdiction of the Commission to develop a financial assistance policy for providing free and reduced-cost care to patients who lack health care coverage or whose health care coverage does not pay the full cost of the hospital bill.

(2) The financial assistance policy shall provide, at a minimum:

(i) Free medically necessary care to patients with family income at or below 200% of the federal poverty level, calculated at the time of service or updated, as

appropriate, to account for any change in financial circumstances of the patient that occurs within 240 days after the initial hospital bill is provided;

(ii) Reduced-cost medically necessary care to low-income patients with family income above 200% of the federal poverty level, calculated at the time of service or updated, as appropriate, to account for any change in financial circumstances of the patient that occurs within 240 days after the initial hospital bill is provided[, in accordance with the mission and service area of the hospital];

(iii) A payment plan that is available to uninsured patients with family income between 200% and 500% of the federal poverty level[, in accordance with the mission and service area of the hospital]; and

(iv) A mechanism for a patient to request the hospital to reconsider the denial of free or reduced-cost care that includes in the request:

1. The Health Education and Advocacy Unit is available to assist the patient or the patient's authorized representative in filing and mediating a reconsideration request; and

2. The address, phone number, facsimile number, e-mail address, mailing address, and website of the Health Education and Advocacy Unit.

(8) ~~[(i)]~~ A hospital may ~~NOT~~ consider ONLY household monetary assets in EXCESS OF \$100,000 WHEN determining eligibility for free and reduced-cost care under the hospital's financial assistance policy [in addition to income-based criteria].

~~[(ii) Subject to subparagraph (iii) of this paragraph, if **IF** a hospital considers household monetary assets under subparagraph (i) of this paragraph, the following types of monetary assets that are convertible to cash shall be excluded:~~

~~1. At a minimum, the first \$10,000 of monetary assets;~~

~~2. A safe harbor equity of \$150,000 in a primary residence;~~

~~3. Retirement **RETIREMENT** assets that the Internal Revenue Service has granted preferential tax treatment as a retirement account, including deferred-compensation plans qualified under the Internal Revenue Code or nonqualified deferred-compensation plans; **SHALL BE EXCLUDED.**~~

~~4. One motor vehicle used for the transportation needs of the patient or any family member of the patient;~~

~~5. Any resources excluded in determining financial eligibility under the Medical Assistance Program under the Social Security Act; and~~

~~6. Prepaid higher education funds in a Maryland 529 Program account.~~

~~(iii) Monetary assets excluded from the determination of eligibility for free and reduced cost care under subparagraph (ii) of this paragraph shall be adjusted annually for inflation in accordance with the Consumer Price Index.]~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2024.

Approved by the Governor, May 16, 2024.