

SB1103/703521/1

BY: Health and Government Operations Committee

AMENDMENTS TO SENATE BILL 1103
(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 9, after “fees;” insert “requiring the Commission to convene a workgroup on outpatient facility fees notices;”.

AMENDMENT NO. 2

On page 7, in line 1, after “hospitals,” insert “including out-of-state hospitals providing outpatient services to patients in facilities in the State;”.

On pages 7 and 8, strike in their entirety the lines beginning with line 5 on page 7 through line 9 on page 8, inclusive, and substitute:

“(1) the nature of costs underlying hospital outpatient facility fees and how similar costs are recovered in other health care settings;

(2) the drivers of hospital facility costs that are unique to hospitals and are not reflected in other health care settings;

(3) the magnitude and impact of hospital facility fee charges for hospitals, payers, and consumers;

(4) industry practices for seeking authority for an outpatient location to be approved as “at the hospital” and thereby subject to rate regulation;

(5) alternative mechanisms or revisions to the billing of the facility fees that would allow hospitals to recover costs while protecting individual consumers from high facility fee bills, maintaining access to health care services, and addressing health equity concerns;

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(6) the interaction of the alternative mechanisms or revisions studied under item (5) of this subsection with the State’s Total Cost of Care model obligations to the federal government, including any impact on Medicare total cost of care savings if outpatient facility fees are eliminated or reduced;

(7) the impact of the alternative mechanisms or revisions studied under item (5) of this subsection on Medicaid, Medicare, and commercial insurance, including consumer out-of-pocket costs, with a particular focus on the interaction with high-deductible commercial insurance products;

(8) published material on efforts in other states, by federal Medicare and Medicaid regulatory agencies, and by national advocacy organizations related to the regulation or minimization of facility fees, and the potential effects that similar efforts may have on health care costs in the State, including consumers’ out-of-pocket costs;

(9) the regulation of fees charged by out-of-state hospital outpatient facilities located in the State; and

(10) the effectiveness of the notice of hospital outpatient facility fees that is provided to consumers.”.

AMENDMENT NO. 3

On page 8, after line 19, insert:

“SECTION 3. AND BE IT FURTHER ENACTED, That:

(a) (1) The Maryland Health Services Cost Review Commission shall convene a workgroup with the Maryland Department of Health, the Health Education and Advocacy Unit within the Office of the Attorney General, and representatives of hospitals, including out-of-state hospitals providing services to patients in facilities in

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the State, representatives of physician practices that provide services in hospital outpatient settings, health care payers, consumer advocacy groups, and representatives of employer groups.

(2) The workgroup convened under paragraph (1) of this subsection shall:

(i) advise the Maryland Health Services Cost Review Commission on expanding the application of the hospital outpatient facility fees notice requirement to all outpatient services, including services provided by out-of-state hospitals at outpatient locations in the State; and

(ii) consider the impact of expanding the facility fee notice requirement on consumers, including Medicaid recipients and consumers with recurring appointments, with consideration given to the impact on providers and payers.

(b) On or before December 1, 2024, the Maryland Health Services Cost Review Commission shall submit a report to the Senate Finance Committee and the House Health and Government Operations Committee, in accordance with § 2-1257 of the State Government Article, on recommendations for expanding the application of the outpatient facility fees notice requirement to apply to all outpatient services.”;

in lines 20 and 23, respectively, strike “3.” and “4.”, respectively, and substitute “4.” and “5.”, respectively; and in line 22, strike “Section 2” and substitute “Sections 2 and 3”.