

Chapter 15

(House Bill 626)

AN ACT concerning

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

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

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

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

Article – Health – General

19–120.

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

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

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

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

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

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

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

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

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

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

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

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

D. Is in the public interest; and

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

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

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

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

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

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

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

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

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

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

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

Enacted under Article II, § 17(b) of the Maryland Constitution, April 5, 2019.