

# SENATE BILL 944

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CF HB 694

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By: **Senator Hayes**

Introduced and read first time: February 13, 2022

Assigned to: Rules

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## A BILL ENTITLED

1 AN ACT concerning

2 **Hospitals – Financial Assistance – Medical Bill Reimbursement**

3 FOR the purpose of establishing requirements and prohibitions related to the  
4 reimbursement of out-of-pocket costs paid by hospital patients who were eligible for  
5 free care, including a requirement that the Health Services Cost Review  
6 Commission, the Office of the Comptroller, and the Department of Human Services  
7 develop a process for identifying and informing patients who qualify for  
8 reimbursement and that hospitals reimburse certain patients; authorizing the Office  
9 of the Comptroller to share or disclose certain information under certain  
10 circumstances; and generally relating to hospitals, financial assistance policies, and  
11 reimbursement for paid bills.

12 BY repealing and reenacting, with amendments,  
13 Article – Health – General  
14 Section 19–214.1(b)(1)  
15 Annotated Code of Maryland  
16 (2019 Replacement Volume and 2021 Supplement)

17 BY adding to  
18 Article – Health – General  
19 Section 19–214.4  
20 Annotated Code of Maryland  
21 (2019 Replacement Volume and 2021 Supplement)

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

24 **Article – Health – General**

25 19–214.1.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

6 (II) IF NECESSARY TO MEET THE REQUIREMENTS OF THIS  
7 SECTION, THE OFFICE OF THE COMPTROLLER MAY SHARE OR DISCLOSE RELEVANT  
8 TAX INFORMATION.

9 **19-214.4.**

10 (A) IN THIS SECTION, "OFFICE" MEANS THE OFFICE OF THE  
11 COMPTROLLER.

12 (B) THE PURPOSE OF THIS SECTION IS:

13 (1) TO INFORM A PATIENT THAT THE PATIENT MAY HAVE QUALIFIED  
14 FOR FREE CARE UNDER § 19-214.1 OF THIS SUBTITLE AT THE TIME OF CARE AT A  
15 HOSPITAL REGULATED BY THE COMMISSION; AND

16 (2) PROVIDE THE PATIENT WITH AN OPPORTUNITY TO OBTAIN  
17 REIMBURSEMENT FOR PAID SERVICES RECEIVED FROM THE HOSPITAL.

18 (C) (1) (I) SUBJECT TO SUBSECTION (D) OF THIS SECTION, THE  
19 COMMISSION, THE OFFICE, AND THE DEPARTMENT OF HUMAN SERVICES SHALL  
20 DEVELOP A PROCESS TO IDENTIFY AND INFORM PATIENTS WHO MAY HAVE  
21 QUALIFIED FOR FREE CARE WHILE RECEIVING INPATIENT OR OUTPATIENT  
22 SERVICES FROM A HOSPITAL.

23 (II) TO ACCOMPLISH THE PURPOSE OF THIS SECTION, THE  
24 OFFICE MAY SHARE OR DISCLOSE RELEVANT TAX INFORMATION.

25 (2) THE PROCESS TO IDENTIFY PATIENTS UNDER PARAGRAPH (1) OF  
26 THIS SUBSECTION SHALL INCLUDE:

27 (I) DATA SHARING BETWEEN THE COMMISSION AND THE  
28 OFFICE;

29 (II) PROTECTING PERSONAL INFORMATION;

30 (III) MATCHING PATIENT DATA FROM THE COMMISSION WITH  
31 TAX DATA FROM THE OFFICE; AND

1 (IV) ANALYZING THE MATCHED DATA TO DETERMINE A LIST OF  
2 PATIENTS WHO MAY BE ELIGIBLE FOR A REFUND FOR PAID CARE UNDER THIS  
3 SECTION.

4 (3) THE COMMISSION, THE OFFICE, AND THE DEPARTMENT OF  
5 HUMAN SERVICES SHALL MAKE A DETERMINATION THAT THE PATIENT WAS  
6 ELIGIBLE FOR FREE CARE AT THE TIME OF SERVICE BASED ON WHETHER:

7 (I) THE PATIENT'S INCOME WAS AT OR BELOW 200% OF THE  
8 FEDERAL POVERTY LEVEL; OR

9 (II) THE PATIENT WAS DETERMINED TO BE PRESUMPTIVELY  
10 ELIGIBLE UNDER § 2-214.1(B)(7) OF THIS TITLE.

11 (4) (I) 1. IF A PATIENT WAS DETERMINED TO BE ELIGIBLE FOR  
12 FREE CARE AND THE PATIENT'S INCOME WAS AT OR BELOW 200% OF THE FEDERAL  
13 POVERTY LEVEL, THE PATIENT SHALL BE NOTIFIED BY THE OFFICE BY FIRST-CLASS  
14 MAIL IN THE FORM SPECIFIED UNDER SUBSUBPARAGRAPH 2 OF THIS  
15 SUBPARAGRAPH.

16 2. THE OFFICE SHALL SEND THE ELIGIBLE PATIENT A  
17 POSTCARD THAT:

18 A. INCLUDES THE OFFICIAL SEAL OF THE  
19 COMPTROLLER;

20 B. IS ON COLORED CARDSTOCK; AND

21 C. INCLUDES THE FOLLOWING STATEMENT:

22 "OUR RECORDS INDICATE THAT YOU PAID FOR CARE AT (HOSPITAL'S NAME)  
23 IN (YEAR), WERE ELIGIBLE FOR FREE CARE, AND MAY BE ENTITLED TO A REFUND.  
24 TO LEARN MORE, GO TO (COMMISSION'S WEBSITE). TO APPLY FOR A REFUND, GO TO  
25 (HOSPITAL'S WEBSITE), OR CALL (HOSPITAL'S PHONE NUMBER)".

26 3. THE STATEMENT REQUIRED TO BE INCLUDED ON THE  
27 POSTCARD UNDER SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH SHALL BE IN:

28 A. 12 POINT FONT; AND

1                   **B. EACH LANGUAGE SPOKEN BY THE POPULATION THAT**  
2 **CONSTITUTES AT LEAST 5% OF THE OVERALL POPULATION WITHIN THE COUNTY IN**  
3 **WHICH THE HOSPITAL IS LOCATED AS MEASURED BY THE MOST RECENT CENSUS.**

4                   **(II) 1. IF A PATIENT WAS DETERMINED TO BE ELIGIBLE FOR**  
5 **FREE CARE AND THE PATIENT WAS DETERMINED TO BE PRESUMPTIVELY ELIGIBLE**  
6 **UNDER § 2-214.1(B)(7) OF THIS TITLE, THE PATIENT SHALL BE NOTIFIED BY THE**  
7 **DEPARTMENT OF HUMAN SERVICES BY FIRST-CLASS MAIL IN THE FORM SPECIFIED**  
8 **UNDER SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH.**

9                   **2. THE DEPARTMENT OF HUMAN SERVICES SHALL**  
10 **SEND THE ELIGIBLE PATIENT A POSTCARD THAT:**

11                   **A. INCLUDES THE OFFICIAL SEAL OF THE DEPARTMENT**  
12 **OF HUMAN SERVICES;**

13                   **B. IS ON COLORED CARDSTOCK; AND**

14                   **C. INCLUDES THE FOLLOWING STATEMENT:**

15                   **“OUR RECORDS INDICATE THAT YOU PAID FOR CARE AT (HOSPITAL’S NAME)**  
16 **IN (YEAR), WERE ELIGIBLE FOR FREE CARE, AND MAY BE ENTITLED TO A REFUND.**  
17 **TO LEARN MORE GO TO (COMMISSION’S WEBSITE). TO APPLY FOR A REFUND, GO TO**  
18 **(HOSPITAL’S WEBSITE), OR CALL (HOSPITAL’S PHONE NUMBER)”.**

19                   **3. THE STATEMENT REQUIRED TO BE INCLUDED ON THE**  
20 **POSTCARD UNDER SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH SHALL BE IN:**

21                   **A. 12 POINT FONT; AND**

22                   **B. EACH LANGUAGE SPOKEN BY THE POPULATION THAT**  
23 **CONSTITUTES AT LEAST 5% OF THE OVERALL POPULATION WITHIN THE COUNTY IN**  
24 **WHICH THE HOSPITAL IS LOCATED AS MEASURED BY THE MOST RECENT CENSUS.**

25                   **(III) THE LINKS IDENTIFIED ON THE POSTCARDS SENT UNDER**  
26 **THIS PARAGRAPH SHALL BE PROMINENTLY DISPLAYED ON THE MAIN PAGE OF THE**  
27 **COMMISSION’S WEBSITE AND ON EACH HOSPITAL’S WEBSITE.**

28                   **(5) EACH HOSPITAL SHALL:**

29                   **(I) CREATE A WEBPAGE THAT INCLUDES:**

1                   1.     **INFORMATION ABOUT REFUNDS FOR CHARGES PAID**  
2 **IF THE PATIENT QUALIFIED FOR FREE CARE AT THE TIME OF SERVICE;**

3                   2.     **A PROCESS TO APPLY FOR A REFUND, INCLUDING**  
4 **RELEVANT TIMELINES FOR APPLYING FOR A REFUND; AND**

5                   3.     **A DESIGNATED SINGLE POINT OF CONTACT AT THE**  
6 **HOSPITAL, INCLUDING THE CONTACT'S NAME, E-MAIL ADDRESS, AND TELEPHONE**  
7 **NUMBER.**

8                   **(II)    WHEN CONTACTED BY A PATIENT WHO RECEIVED WRITTEN**  
9 **NOTIFICATION FROM THE OFFICE OR THE DEPARTMENT OF HUMAN SERVICES:**

10                  1.     **DETERMINE WHETHER THE PATIENT PAID A BILL**  
11 **DURING THE DESIGNATED YEAR AND WAS NOT DISQUALIFIED FROM FREE CARE**  
12 **BASED ON THE USE OF AN ASSET TEST UNDER § 19-214.1(B)(8) OF THIS TITLE; AND**

13                  2.     **IF THE PATIENT PAID A BILL AND WAS NOT**  
14 **DISQUALIFIED, REIMBURSE THE PATIENT FOR THE AMOUNT THE PATIENT PAID FOR**  
15 **CARE OUT OF POCKET.**

16                  **(6)    (I)    THE COMMISSION MAY NOT RAISE HOSPITAL RATES, AS**  
17 **PART OF THE ANNUAL UPDATE FACTOR, TO OFFSET THE HOSPITAL'S DIRECT**  
18 **REFUNDS TO PATIENTS UNDER PARAGRAPH (5) OF THIS SUBSECTION.**

19                  **(II)  1.    EACH HOSPITAL SHALL REIMBURSE THE**  
20 **COMMISSION, THE OFFICE, AND THE DEPARTMENT OF HUMAN SERVICES FOR THE**  
21 **COSTS INCURRED IN COMPLYING WITH THIS SECTION.**

22                  2.     **REIMBURSEMENT FROM A HOSPITAL UNDER THIS**  
23 **SUBPARAGRAPH SHALL BE BASED ON THE NUMBER OF PATIENTS IN THE**  
24 **DESIGNATED YEAR THAT WERE BILLED BY THE HOSPITAL, AS DETERMINED BY THE**  
25 **COMMISSION.**

26                  **(D)   (1)   (I)    BEGINNING JULY 1, 2022, THE COMMISSION SHALL**  
27 **IMPLEMENT THE PROCESS DEVELOPED UNDER SUBSECTION (C) OF THIS SECTION**  
28 **FOR PATIENTS WHO RECEIVED CARE DURING CALENDAR YEARS 2017 AND 2018.**

29                  **(II)   ON OR BEFORE JULY 1, 2023, THE COMMISSION SHALL**  
30 **DETERMINE, OF THE NUMBER OF PATIENTS WHO RECEIVED CARE DURING**  
31 **CALENDAR YEARS 2017 AND 2018 AND WERE SENT WRITTEN NOTIFICATION UNDER**  
32 **THIS SECTION, THE TOTAL NUMBER OF PATIENTS WHO CONTACTED EACH HOSPITAL.**

1                   **(2) IF THE TOTAL NUMBER OF PATIENTS WHO CONTACTED EACH**  
2 **HOSPITAL, AS DETERMINED UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION, WAS**  
3 **AT LEAST 5% OF THOSE WHO RECEIVED THE WRITTEN NOTICE, BEGINNING ON JULY**  
4 **1, 2023, THE COMMISSION SHALL IMPLEMENT THE PROCESS DEVELOPED UNDER**  
5 **SUBSECTION (C) OF THE SECTION FOR PATIENTS WHO RECEIVED CARE DURING**  
6 **CALENDAR YEARS 2019, 2020, AND 2021.**

7                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect on  
8 July 1, 2022. It shall remain effective for a period of 5 years and, at the end of June 30,  
9 2027, this Act, with no further action required by the General Assembly, shall be abrogated  
10 and of no further force and effect.