

Title 10 DEPARTMENT OF HEALTH AND MENTAL HYGIENE

Subtitle 37 HEALTH SERVICES COST REVIEW COMMISSION

10.37.10 Rate Application and Approval Procedures

**Authority: Health-General Article, §§19-207, 19-214, 19-214.1,
19-214.2, and 19-214.3
Annotated Code of Maryland**

NOTICE OF FINAL ACTION

On March 3, 2010, the Health Services Cost Review Commission adopted amendments to **Regulation .26B** under **COMAR 10.37.10 Rate Application and Approval Procedures**. This action, which was proposed for adoption in 36:25 Md. R. 1970-1971 (December 4, 2009), has been adopted as proposed.

Effective Date: **April 6, 2010.**

DONALD A. YOUNG, M.D.
Chairman
Health Services Cost Review Commission

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NOTICE OF PROPOSED ACTION

The Health Services Cost Review Commission proposes to amend **Regulation .26B** under **COMAR 10.37.10 Rate Application and Approval Procedures**. This action was considered and approved for promulgation by the Commission at a previously announced open meeting held on October 14, 2009, notice of which was given pursuant to State Government Article, §10-506(c), Annotated Code of Maryland. If adopted, the proposed amendments will become effective on or about February 9, 2010.

Statement of Purpose

The purpose of this action is to raise the current income threshold for receiving free or reduced medically necessary hospital care unless such increase would yield undue financial hardship to a hospital.

Comparison of Federal Standards

There is no corresponding federal standard to this proposed action.

Estimate of Economic Impact

See Attachment A.

Opportunity for Public Comment

Comments may be sent to Diana M. Kemp, Regulations Coordinator, Health Services Cost Review Commission, 4160 Patterson Avenue, Baltimore, Maryland 21215, or call (410)

764-2576, or fax to (410) 358-6217, or email to dkemp@hsrc.state.md.us. The Health Services Cost Review Commission will consider comments on the proposed amendments until December 7, 2009. A hearing may be held at the discretion of the Commission.

.26 Differentials

A. – A-1. (text unchanged)

B. Working Capital Differentials – Payment of Charges.

(1) – (4) (text unchanged)

(5) Hospital Financial Assistance Responsibilities.

(a) (text unchanged)

(i) Free medically necessary care to patients with family income at or below [150] 200 percent of the federal poverty level; and

(ii) Reduced-cost, medically necessary care to low-income patients with family income between [150] 200 and 300 percent of the federal poverty level, in accordance with the mission and service area of the hospital.

(b) A hospital whose current financial assistance policy, that is, as of May 8, 2009, provides for free or reduced-cost medical care to patients at an income threshold[s] higher than those [the 150 percent level] set forth above may not reduce that income threshold.

(c) A hospital that believes that an increase to the income thresholds as set forth above may result in undue financial hardship to it, may file a written request with the Commission that it be exempted from the increased threshold. In evaluating the hospital's request for exemption, the Commission shall consider the hospital's:

(i) Patient mix;

(ii) Financial condition;

(iii) Level of bad debt experienced;

(iv) Amount of charity care provided; and

(v) Other relevant factors.

(d) Based on staff's evaluation of the written request for an exemption, the Executive Director shall respond in writing within a reasonable period of time approving or disapproving the hospital's exemption request.

(e) A hospital denied an exemption request shall be afforded an opportunity to address the Commission at a public meeting on its request. Based on arguments made at the public meeting, the Commission may approve, disapprove, or modify the Executive Director's decision on the exemption request.

[(c)] (f) (text unchanged)

[(d)] (g) (text unchanged)

C. (text unchanged)

DONALD A. YOUNG, M.D.
Chairman
Health Services Cost Review Commission