



Maryland
Hospital Association

Senate Bill 1020 – Maryland Health Care Regulatory Reform Act of 2017

Position: *Unfavorable*

Bill Summary

SB 1020 would reorganize the Maryland Health Care Commission and the Health Services Cost Review Commission to be the Maryland Health Care and Cost Review Commission; repeal the Health Services Cost Review Commission, the Health Services Cost Review Commission Fund, and related provisions of law; require the Commission to submit to the Governor and General Assembly by January 1, 2018, a proposal for a streamlined certificate of need process and a specified list of health care facilities and services; etc.

MHA Position

Maryland's hospitals welcome a discussion about the best and most efficient health care regulatory model for Maryland. Recent changes in the state's hospital payment waiver – now no longer a waiver, but in fact a demonstration project known as the Maryland All-Payer Model – continue to dramatically change incentives for hospitals, doctors, nursing homes and others. It therefore is appropriate to reexamine what the appropriate regulatory structure should be and to clarify the roles and responsibilities of agencies regulating health care and hospitals.

However, SB1020 comes at the same time that the state is in the midst of sensitive and crucial negotiations with the federal Centers for Medicare & Medicaid Services about Maryland's All-Payer Model. Unique in the nation, this model brings some \$2 billion in additional federal funds to the state each year, and has made Maryland a pioneer in making health care better and more affordable.

To be successful in those negotiations, Maryland must demonstrate stability, and a commitment to the All-Payer Model. A dramatic shakeup of the state's governing health care bodies at this time would cast doubt on that stability, which in turn would weaken the state's bargaining position on this all-important effort.

For these reasons, we urge you to give SB 1020 an *unfavorable* report.