Maryland
Hospital Association

January 26, 2022

To: The Honorable Delores G. Kelley, Chair, Senate Finance Committee

Re: Letter of Information- Senate Bill 253 - Maryland Health Care Commission - User Fee Assessment

Dear Chair Kelley:

On behalf of the Maryland Hospital Association's (MHA) 60 member hospitals and health systems, we appreciate the opportunity to comment on Senate Bill 253. The Maryland Health Care Commission (MHCC) is the state's health policy think tank, offering valuable information about important policy decisions that impact all Marylanders.

The Commission designates and regulates the state's health information exchange and is a valuable partner that enabled CRISP to grow to the utility it is today. MHCC, as the holder of the state's all-payer claims database, offers research services, gives information to other state agencies to support their regulatory missions, and supports consumer-friendly health policies.

MHCC's assessment cap is $14 million per year. It assesses three provider groups—hospitals, nursing homes, and health care practitioners—as well as payers. The health care providers give 74% of MHCC's budget; more than half that share, 39%, is contributed by hospitals.

We understand MHCC's desire for more resources to support new policy areas. Yet this proposed increase comes at a time of extreme financial pressure across the three provider sectors after two years of battling the COVID-19 pandemic.

MHCC's assessment authority was founded on the idea that the four industries assessed are the only ones that benefit from MHCC's work. But times have changed. As the Commission's work expands into telehealth and consumer-facing resources, the entire state benefits from MHCC's efforts and products. Therefore, we believe consideration should be given to a general fund appropriation for some portion of the Commission's work.

We hope you find this information helpful as you deliberate on SB 253.

For more information, please contact:
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