



Maryland
Hospital Association

House Bill 519 - Public Health - Hospitals - Parking for Patients

Position: *Oppose*

February 12, 2025

House Health & Government Operations Committee

MHA Position

On behalf of the Maryland Hospital Association's (MHA) member hospitals and health systems, we appreciate the opportunity to comment in opposition of House Bill 519. This bill prohibits hospitals from charging patients for parking. While well-intentioned, it takes a one-size-fits all approach that does not take into consideration the many factors that go into if or when patients are charged for parking including geography, ownership and operations arrangements, and maintenance costs.

Hospitals do their best to ensure they are accessible to patients and the community. Where public transportation is available, hospitals are often along or within walking distance from public transportation lines. Hospitals may also provide parking in lots or garages for their patients, visitors, and staff. Geography plays a key role in costs and accessibility. In rural and suburban areas, hospital parking is usually free. In more urban areas, those using a parking lot or garage may charge for use to offset the higher costs of providing parking in those areas.

There are also different arrangements hospitals may have for parking. Some systems own and operate their parking infrastructure, while others may not. In some cases, hospitals lease parking from private companies or even local governments. These leasing agreements determine the cost sharing and other requirements for the parking facilities. Hospitals in these partnerships may not control what the facility charges for parking or even whether the facility is limited to hospital patients or also open to the public. Some hospitals do not own, operate, or lease the parking facilities. Patients and staff in those situations may use adjacent public lots and are subject to the policies of those lots.

The bill essentially mandates that hospitals completely shoulder the costs of parking garage operation and maintenance. Parking is not a significant revenue generator for hospitals. On average each parking space in a garage costs \$2,500 to build. The revenue generated by the parking garages is used to pay for the garages where leased, and maintenance of the garage, security, and staff to run the garage. Some of our hospitals estimate the impact of the bill to be anywhere from \$2 million to \$4 million annually to cover all these costs. These estimates do not include the costs to operationalize a system to allow for free parking, such as parking validation, and communications and media on the availability of free parking. It will cost staff time to verify if someone actually was a patient and, if so, how long they were at their appointment.

It should also be acknowledged that some hospitals voluntarily already have systems in place to offset the costs of parking for patients. These mitigation efforts include providing patients from certain select departments free or discounted parking or capping parking fees at a certain amount for long-term inpatients. Hospitals try their best to help their patients where they can.

This bill would be extremely challenging and costly to implement and remove the ability to fund ongoing uptake and building of parking garages. For these reasons, we request an unfavorable report on HB 519.

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