LEGISLATIVE INITIATIVES IMPACTING PHYSICIAN CREDENTIALING & PRIVILEGING

May 2, 2025

Maryland
Hospital Association

OVERVIEW

- Introductions & Icebreaker
- About MHA
- SB 258/HB 633 Regulatory Update
- 2025 General Assembly Session Overview

MENTI POLLS

MHA MISSION

Maryland Hospital Association

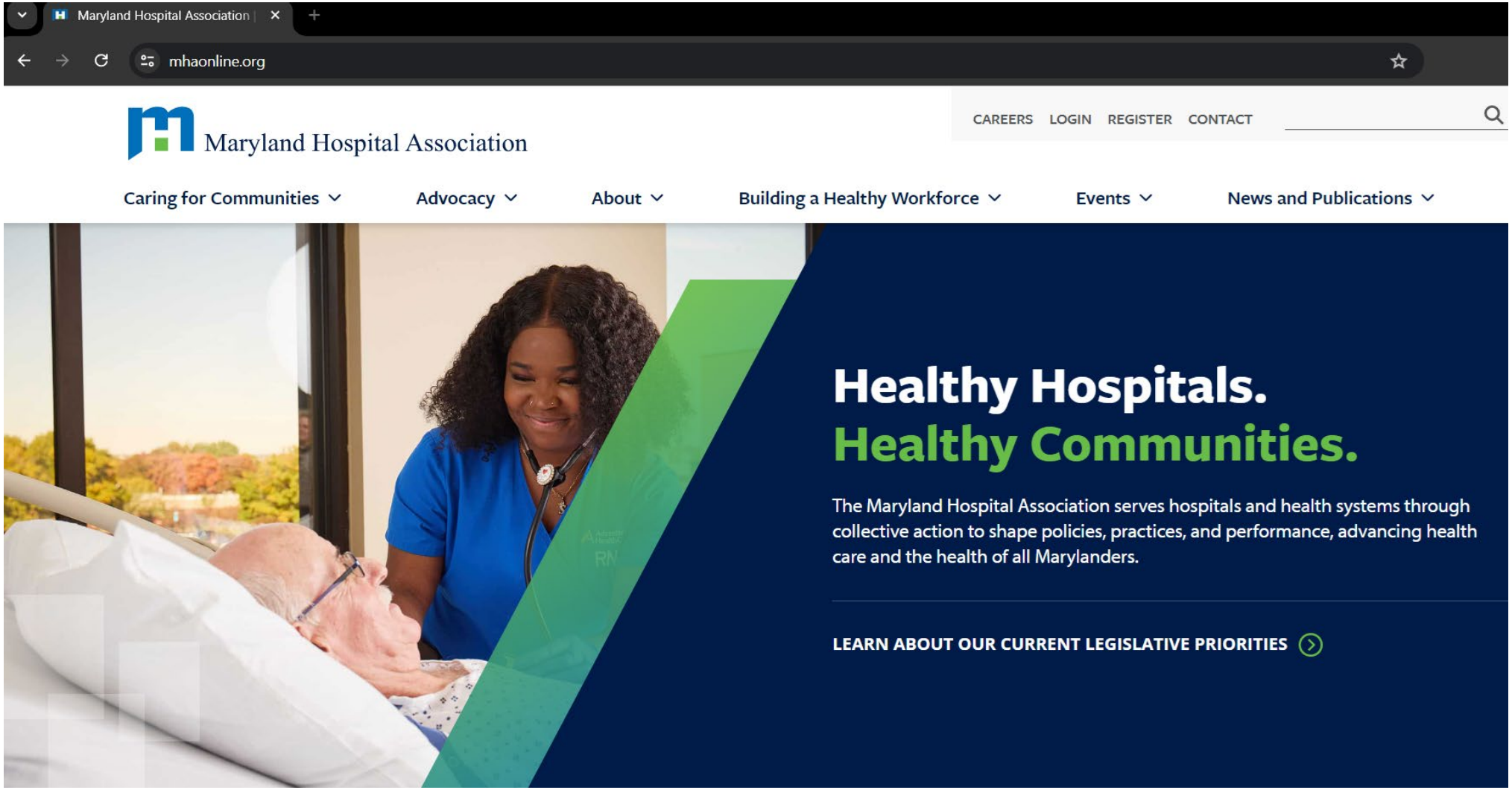
Advancing health care and the health of all Marylanders

MHA serves Maryland's hospitals and health systems through collective action to shape policies, practices, financing and performance to advance health care and the health of all Marylanders.

60 MEMBERS


Adventist HealthCare
Adventist HealthCare White Oak Medical Center
Adventist HealthCare Rehabilitation
Adventist HealthCare Shady Grove Medical Center
Adventist HealthCare Fort Washington Medical Center
MedStar Good Samaritan Hospital
MedStar Union Memorial Hospital
Mt. Washington Pediatric Hospital
NORTHWEST HOSPITAL
A LifeBridge Health Center
CARE BRAVELY
MedStar Harbor Hospital
MedStar Health
MedStar Southern Maryland Hospital Center
TidalHealth
SUBURBAN HOSPITAL
JOHNS HOPKINS MEDICINE
Encompass Health
Rehabilitation Hospital of Salisbury
MedStar Franklin Square Medical Center
MedStar Montgomery Medical Center
MedStar St. Mary's Hospital
Ascension Saint Agnes
UNIVERSITY of MARYLAND UPPER CHESAPEAKE MEDICAL CENTER
ATLANTIC GENERAL HOSPITAL
Children's National
Luminis Health
Anne Arundel Medical Center
Luminis Health
JOHNS HOPKINS MEDICINE
THE JOHNS HOPKINS HOSPITAL
BROOK LANE
Hope · Healing · Recovery
ChristianaCare
Mercy
BALTIMORE, MD
LEVINDALE
A LifeBridge Health Center
CARE BRAVELY
UNIVERSITY of MARYLAND ST. JOSEPH MEDICAL CENTER
UPMC WESTERN MARYLAND
NIH Clinical Center
UNIVERSITY of MARYLAND CAPITAL REGION MEDICAL CENTER
CalvertHealth
CARROLL HOSPITAL
A LifeBridge Health Center
CARE BRAVELY
Frederick Health
JOHNS HOPKINS MEDICINE
Howard County Medical Center
UNIVERSITY of MARYLAND CAPITAL REGION HEALTH
GARRETT REGIONAL MEDICAL CENTER
A PROUD AFFILIATE OF WVUMedicine
UNIVERSITY of MARYLAND LAUREL REGIONAL HOSPITAL
JOHNS HOPKINS MEDICINE
JOHNS HOPKINS BAYVIEW MEDICAL CENTER
JOHNS HOPKINS MEDICINE
LIFEBRIDGE HEALTH
UNIVERSITY of MARYLAND MEDICAL CENTER
GBMC
HOLY CROSS HEALTH
A Member of Trinity Health
UNIVERSITY of MARYLAND SHORE REGIONAL HEALTH
UNIVERSITY of MARYLAND CHARLES REGIONAL MEDICAL CENTER
Sheppard Pratt
UNIVERSITY of MARYLAND MEDICAL SYSTEM
Encompass Health
GRACE MEDICAL CENTER
A LifeBridge Health Center
CARE BRAVELY
nnedy Krieger Institute
SINAI HOSPITAL
A LifeBridge Health Center
CARE BRAVELY
UNIVERSITY of MARYLAND BALTIMORE WASHINGTON MEDICAL CENTER
Rehabilitation Hospital of Bowie

VISIT US AT MHAONLINE.ORG



CONNECT WITH MHA ON SOCIAL MEDIA

@MarylandHospitalAssociation

@mhaonline

HEALTHY HOSPITALS. HEALTHY COMMUNITIES.

Maryland Hospital Association

LEARN MORE AT MHAONLINE.ORG/HEALTHYHOSPITALS

SB 258/HB 633
REGULATORY UPDATE

Maryland
Hospital Association

SB 258/HB 633: HOSPITAL CREDENTIALING/APPOINTMENT PROCESS FOR PHYSICIAN STAFF: REGULATORY UPDATE

- In May 2023, Governor Moore signed SB 258/HB 633 into law
- This law changes the frequency of the formal written reappointment process to align with the standards of The Joint Commission instead of every 2 years
- The regulations are in the process of being promulgated to align with the law (Acute General Hospitals and Special Hospitals: COMAR 10.07.01.24)

Governor's Press Office Photo Gallery

2025 GENERAL ASSEMBLY SESSION OVERVIEW

Maryland
Hospital Association

2025 LEGISLATIVE CLIMATE

BUDGET DEFICIT MEASURES

FEDERAL UNCERTAINTY DRIVES STATE ACTION

$67B Maryland state budget passes on Sine Die with tax, fee increases

By David Collins, WBALTV and Associated Press | April 8, 2025

Maryland lawmakers end session in a tough budget year, worries about federal cuts

The Associated Press
April 8, 2025, 12:14 AM

Maryland lawmakers prepare for possible special session

By Phil Yacuboski, WBAL NewsRadio 1090 and FM 101.5 | April 12, 2025

Maryland's historic $1.68B tax and fee hike imminent, stirs questions on government's duty

by GARY COLLINS | Spotlight on Maryland | Wed, April 2nd 2025 at 12:49 AM
Updated Wed, April 2nd 2025 at 8:44 AM

Ferguson warns of 'Maryland recession' as report says state has greatest risk from federal cuts

Moody's Ratings says 'Maryland ranks at or near the top for risk from' federal spending and workforce cuts

BY: **BRYAN P. SEARS** - MARCH 11, 2025 2:32 PM

Maryland losing hundreds of millions in federal health grant cuts

WYPR - 88.1 FM Baltimore | By Scott Maucione
Published April 1, 2025 at 2:14 PM EDT

Caution AHEAD: State officials nervous for Maryland hospitals under Trump administration

A recent announcement from CMS has health care advocates on alert for potential threats to state's hospital rate-setting model

BY: **DANIELLE J. BROWN** - MARCH 13, 2025 3:46 AM

MHA 2025 LEGISLATIVE AGENDA

Avoiding pediatric overstays in hospitals

Addressing increased denial rates & increasing payer accountability

Improving & protecting Maryland's medical liability climate

Ensuring Marylanders continue to have access to telehealth services

Protecting the financial health of hospitals

Securing full funding for the hospital bond program

OUTCOMES ON HOSPITAL FIELD PRIORITIES

Maryland
Hospital Association

PEDIATRIC OVERSTAYS & PAYOR DENIALS

Addressing Pediatric Overstays

- Secured **$3 million** to fund the expansion of residential treatment center bed capacity
- Passed SB 694/HB 962 – to improve placement coordination between hospitals and state agencies, remove barriers to placement, and establish a workgroup to guide continued reform

What's next: This legislation is a significant step forward in increasing treatment capacity and the workgroup will ensure continuation of efforts towards addressing this complex issue

Addressing Payer Denials

- Passed SB 776/HB 995 – Established a work group to study and provide recommendations to reduce the significant increase in claims denials

What's next: This legislation, in addition to other passed legislation, will increase transparency and facilitate the introduction of future legislation that aims to reduce payer denials.

TELEHEALTH & MEDICAL LIABILITY

Telehealth

- Passed SB 371/HB 869 – permanently preserves reimbursement parity and existing telehealth options like audio only services

> **What's next:** Practitioners can continue to provide telehealth services. More work is needed this interim to ensure telehealth can be reimbursed regardless of the provider or patient's location.

Medical Liability

- Defeated a proposal to repeal caps on noneconomic damages in civil cases
- Championed a bill to clarify the definition of "health care provider" in statute to include all healthcare providers in hospitals
  - While the bill did not advance this session, advocacy efforts raised visibility of the issue and built momentum for future legislative action.

> **What's next:** Liability issues will come up again next session. MHA will lead proactive efforts during the interim to address the challenging liability climate in Maryland.

OUTCOMES ON OTHER KEY ISSUES

Maryland
Hospital Association

DEFEATED LEGISLATION MANDATING CLINICAL STAFFING COMMITTEES

- SB 720/HB 905 - Hospitals - Clinical Staffing Committees and Plans - Establishment (Safe Staffing Act of 2025)
  - Would have required each hospital (excluding State hospitals) to establish a clinical staffing committee with equal representation from management and employees.
  - Each committee would have been required to develop a clinical staffing plan to determine the appropriate number of clinicians for quality care by setting.

What's next: Staffing legislation is anticipated to return next year for further consideration. To prepare, MHA will be conducting a comprehensive study over the interim to document actions hospitals are already taking to address staffing challenges.

ADVANCED WORKFORCE PRIORITIES

Certified Nursing Assistants (CNA) & Geriatric Nursing Assistants (GNA)

- Secured amendment to delay the implementation date of the CNA/GNA consolidation until April 1, 2026 to allow time for hospital-based training programs and the Board of Nursing to address concerns

Internationally Trained Health Care Workers

- Removed English proficiency requirements for health care workers who hold a valid, unrestricted license, certification, or registration from another state that already mandates proof of English proficiency. This removes barriers for qualified health care workers to be licensed in Maryland.

Social Workers

- Supported legislation allowing Maryland to join the Interstate Social Work Licensure Compact. The Compact will help reduce barriers to social workers wanting to come from other states to work in Maryland.

Physicians and Physician Assistants

- Supported amendments to allow employers to request extended reporting time for good cause shown when submitting a 10 day mandatory report and to reference "employer" instead of hospital, related health system and alternative health system

ADDITIONAL SUCCESSFUL OUTCOMES ON CHALLENGING ISSUES

- Negotiated financial assistance legislation to support the reduction of patient out-of-pocket expenses
- Passed legislation to require carriers to report on their use of artificial intelligence and establish safeguards for AI in claims reviews
- Successfully advocated for legislation to mandate carrier reporting on the rise in adverse decisions and expand the Insurance Commissioner's authority to investigate
- Amended overly burdensome, onerous, and counterproductive legislation intended to regulate the cybersecurity operations within hospitals to a work group. This workgroup will propose strategies to prevent cybersecurity disruptions for healthcare systems

AHEAD ADVOCACY

Maryland
Hospital Association

AHEAD LEGISLATIVE BRIEFINGS

MHA briefed the Senate Finance Committee and the House Health and Government Operations Committee on AHEAD at the start of the session

- Represented support for the Model's overall goals of enhancing care delivery, improving population health, and advancing health equity
- Emphasized the need to address systemic policy issues within the model to ensure hospital financial security moving forward.
- Raised concerns that:
  - The Model does not adequately account for Maryland's growing and aging population,
  - Rates do not cover the rising cost of labor, and
  - The Model does not support necessary routine capital investments.

MEDICAID PRIMARY CARE PROGRAM FUND

- HB 352 - Budget Reconciliation and Financing Act of 2025

- **Medicaid Primary Care Program Fund**
  - Purpose:
    - Serves as the foundation for advancing primary care under the AHEAD Model
  - Administered by:
    - MDH
  - Funding Source:
    - Funding consists of "hospital payments administered **on a one-time basis through a uniform and broad-based assessment via the Medicare savings component for CY 2028** by the HSCRC"
  - Eligible Uses:
    - Implementing a Medicaid Primary Care Advanced Payment Model Program as required under the AHEAD cooperative agreement
    - Investing in providers through increased reimbursement for evaluation and management codes, care management fees, and quality incentives

POPULATION HEALTH IMPROVEMENT FUND

- HB 1104 - MDH - AHEAD Model Implementation - Population Health Improvement Fund
- Purpose: Investment in population health improvements to support the statewide population health targes under the AHEAD Model
  - Administered: Jointly by MDH and HSCRC
  - HSCRC may annually assess a reasonable amount in hospital rates to support the fund ($25 million in FY26)
    - The full amount of the assessment must be included in hospital rates
    - Funds generated by the assessment may only be used for eligible expenses
- Eligible Uses
  - Statewide population health improvement initiatives in alignment with the statewide health equity plan
  - Activities paid for by the Fund must:
    - (1) Support statewide population health targets outlined in the AHEAD Model agreement with CMS, and
    - (2) Have **at least one** of these functions:
      - Reducing rates of common preventable health conditions;
      - Addressing health-related social needs; **or**
      - Reducing or eliminating health disparities

2025 INTERIM WORK

Maryland
Hospital Association

INTERIM WORK: WORK GROUPS & STUDIES

Pediatric Hospital Overstays

- MHA will participate in the Work Group on Children in Unlicensed Settings and Pediatric Hospitals Overstays. This group is legislatively mandated to meet before August 1, 2025 and at least once every 30 days after.
- The group will assess the number, type and cost of additional beds and support services needed to place all children in a hospital or unlicensed setting, into the least restrictive setting. In addition, the group must create an implementation plan and timeline. A report is due to the legislature by October 1, 2025.

Adverse Decisions

- MHA will participate in the Workgroup to Study Adverse Decisions in the State Health Care System.
- This Workgroup, comprised of health providers, health insurers, and state leaders is tasked with standardizing state adverse decisions reporting requirements and providing recommendations to reduce the number of health insurance denials.

INTERIM WORK: WORK GROUPS & STUDIES

Cybersecurity

- MHA successfully amended overly burdensome, onerous, and counterproductive legislation intended to regulate the cybersecurity operations within hospitals to a cybersecurity workgroup bill.
- Of the 23 members participating in the Healthcare Ecosystem Stakeholder Cybersecurity Workgroup, four members will be representing Maryland hospitals.

Workplace Violence Prevention

- MHA supported legislation to strengthen the penalty for a crime of violence committed in a health care facility. The bill did not pass. MHA will work with the bill sponsor on alternative proposals to support and protect the health care workforce.

INTERIM WORK: WORK GROUPS & STUDIES

Guardianship

- MHA staff and hospital representatives will continue to participate in a workgroup convened by Diane Hoffmann from the University of Maryland Carey School of Law that is exploring solutions for guardianship of patients with hospital overstays. Legislation is anticipated to be introduced in the 2026 session.

Outpatient Facility Fees

- Health Services Cost Review Commission (HSCRC) with the Maryland Department of Health (MDH) and the Health Education Advocacy Unit of the Attorney General's Office (HEAU) will continue to convene a work group to advise on expanding application of facility fee notice to all outpatient services and the impact of such expansion on patients with different health insurance coverage. The field is represented by MHA staff and hospital representatives.

Hospital Staffing Practices

- Educate state policymakers and stakeholders on hospital practices and requirements for clinical staffing in anticipation of bill re-introduction
- Engage MHA's Chief Nursing Officer Engagement Council to discuss requirements for hospital clinical staffing and how hospitals are implementing these requirements, in addition to strategies for shared governance in hospital operations
- Collaborate with government relations leads, nursing leaders and external stakeholders to strategize and build a coalition of opposition to mandating staffing committees

Andrew Nicklas
Senior Vice President
anicklas@mhaonline.org

Natasha Mehu
Vice President
nmehu@mhaonline.org

MHA Government Affairs and Policy Team

Jake Whitaker
Assistant Vice President
jwhitaker@mhaonline.org

Jane Krienke
Director
jkrienke@mhaonline.org

New Addition to the Team! **Pallavi Arora, MPH,** *Policy Analyst, parora@mhaonline.org*

THANK YOU!!

Maryland
Hospital Association