

# MARYLAND

## Community Benefit Requirement

Maryland requires nonprofit hospitals to provide free or discounted care based on need to specified populations. [Md. Code Ann. Health-Gen. §19-214.1\(b\)](#); [COMAR 10.37.10.26](#).

## Minimum Community Benefit Requirement

Maryland does not specify a minimum level of community benefits that a nonprofit hospital must provide.

## Community Benefit Reporting Requirement

Maryland requires that each nonprofit hospital submit an annual community benefit report to the [Maryland Health Services Cost Review Commission](#) (HSCRC).

Maryland requires that each nonprofit hospital's annual community benefit report include the hospital's mission statement and a list of each community benefit initiative undertaken by the hospital, a specification of its cost and objectives, and a description of the hospital's efforts to evaluate the initiative's effectiveness. Each hospital's community benefit report must also include descriptions of gaps in the availability of specialist providers to serve the uninsured and of the hospital's efforts to track and reduce health disparities in the community that the hospital serves. [Md. Code Ann. Health-Gen., §19-303\(c\)](#).

The HSCRC compiles all of the individual hospital community benefit reports into a consolidated Nonprofit Hospital Community Benefit Report for posting on its website. The report also includes a list of the unmet community needs identified in the most recent community needs assessment conducted by the state health department and by the local health department in each jurisdiction. [Md. Code Ann. Health-Gen., § 19-303\(d\)](#).

## Community Health Needs Assessment

Maryland requires nonprofit hospitals to conduct community health needs assessments.

Maryland law requires that each nonprofit hospital identify the health care needs of its community and, as part of the needs assessment process, consider the most recent community needs assessments developed by the state health department or by the local health department for the jurisdiction in which the hospital is located. Maryland law also provides that a hospital's needs assessment process "may" include consultation with community leaders, local health care providers, and "any appropriate person who can assist the hospital in identifying community health needs." [Md. Code Ann. Health-Gen., §19-303\(b\)](#).



## Community Benefit Plan/Implementation Strategy

Maryland requires nonprofit hospitals to submit annual community benefit reports.

Maryland law requires that each hospital's individual community benefit report describes how the hospital plans to address the health needs of the community that have been identified and prioritized through the community health needs assessment process. [Md. Code Ann. Health-Gen., §19-303\(c\)](#).

## Financial Assistance Policy

Maryland law requires hospitals to develop and implement a financial assistance policy for “providing free and reduced-cost care to patients who lack health care coverage or whose health care coverage does not pay the full cost of the hospital bill.”

Maryland law and regulation require each acute care and chronic care hospital to develop and implement a financial assistance policy that provides, at a minimum, free medically necessary care to patients with family income at or below 200 percent of the federal poverty level; reduced cost medically necessary care to patients with family incomes between 200 and 300 percent of the federal poverty level “in accordance with the mission and service area of the hospital;” and reduced cost medical care to patients with family income below 500 percent of the federal poverty level who have a financial hardship. In addition, upon request, a hospital must offer a payment plan to uninsured patients with family income between 200 and 500 percent of the federal poverty level. [Md. Code Ann. Health-Gen. §19-214.1\(b\)](#); [COMAR 10.37.10.26\(A-2\)\(2\)\(a\)](#).

## Financial Assistance Policy Dissemination

Maryland requires hospitals to post notice and disseminate to patients their financial assistance policies, along with specified related information and applications.

Maryland requires hospitals to conspicuously post throughout the hospital, including in the billing office, notices that inform patients of their right to apply for financial assistance and specify who to contact at the hospital for additional information. Hospitals must also “establish a mechanism” to provide a standardized financial assistance application to any patient who does not indicate that he or she has public or private insurance coverage. [Md. Code Ann. Health-Gen. §19-214.1](#); [COMAR 10.37.10.26 A-2](#). In addition, each hospital must develop a Hospital Information Sheet that includes information about its financial assistance policies and patients' legal rights, including contact information for assistance in understanding the hospital bill and the availability of free and reduced-cost care; how to apply for free or reduced-cost care; and how to apply for Medical Assistance. The Hospital Information Sheet must be given to the patient, family member, or authorized representative. [COMAR 10.37.10.26 §§A-A-2](#).



## Limitations on Charges, Billing, and Collections

Maryland law limits hospital charges and billing and collection practices.

Maryland statutes and regulations establish detailed requirements and prohibitions concerning hospital charges, billing, and debt collection practices, including agency review of each hospital's debt collection policy. A description of these policies must be submitted periodically for review by the HSCRC. The policy must provide a detailed description of its debt collection procedures; indicate the circumstances in which the hospital will seek a judgment against a patient; and include prohibitions on the charging interest on self-pay patients' bills before obtaining a court judgment, forcing the sale or foreclosure of a patient's primary residence, and selling patient debt. [Md. Code Health-Gen., §§ 19-214.1\(f\); 19-214.2; COMAR 10.37.10.26 \(A\), \(A-1\)](#).

## Income Tax Exemption

Maryland law exempts nonprofit hospitals from state income tax.

Maryland law exempts from state income tax organizations that are exempt from federal income tax under Internal Revenue Code §501. [Md. Code Ann., Tax-Gen. §10-104\(2\)](#).

## Property Tax Exemption

Maryland law may exempt property owned or leased by nonprofit hospitals from state property tax.

Nonprofit hospital property is generally eligible for tax exemption if it is "necessary for and actually used for a charitable ... purpose." [Md. Code Ann., Tax-Prop. §7-202\(b\)](#).

## Sales Tax Exemption

Maryland exempts nonprofit hospitals from state sales and use tax.

Maryland law generally exempts charitable organizations, including nonprofit hospitals, from state sales and use tax. [Md. Code Ann. Tax-Gen. §11-204\(a\)\(3\)](#).

