

(1971 Replacement Volume and 1971 Supplement), title "Health," subtitle "Health Services Cost Review Commission," be and it is hereby repealed and re-enacted, with amendments, to read as follows:

568V.

To properly carry out its authority the Commission shall:

(1) Immediately upon the effective date of this subtitle begin to compile all relevant financial and accounting data in order to have available the statistical information necessary to properly conduct rate review and approval. Such data shall include necessary operating expenses, appropriate expenses incurred for rendering services to patients who cannot or do not pay, all properly incurred interest charges, and reasonable depreciation expenses based on the expected useful life of the property and equipment involved. The Commission shall define and prescribe by rule the types and classes of charges which cannot be changed except as provided by the following procedure and it shall also obtain from each such institution a current rate schedule as well as any subsequent amendments or modifications of that schedule as it may require.

(2) (A) Permit any nonprofit institution subject to the provisions of this subtitle to charge reasonable rates which will permit the institution to render effective and efficient service in the public interest on a solvent basis.

(B) Permit any proprietary profit-making institution subject to the provisions of this subtitle to charge reasonable rates which will permit the institution to render effective and efficient service in the public interest and ~~which includes an allowance for a fair return to stockholders based upon actual investment or the fair value of the investment, whichever is less.~~ *which shall include sufficient allowance for and provide a fair return to owners based upon actual investment or the current fair market value of the institution's property and investments of all kinds* DIRECTLY RELATED TO THE HEALTH FACILITY. ~~whichever is higher.~~

(3) In the determination of reasonable rates under this section for each institution, take into account *all the costs of complying with the recommendations of appropriate areawide and State comprehensive health planning agencies to* ~~ensure~~ *make compliance possible with Maryland comprehensive health planning law as found in Section 59C of Article 41 of the Annotated Code of Maryland.*

(4) In considering a request for change in or initiating a review of rate schedules or other charges, permit any institution subject to the provisions of this subtitle to charge rates which will in the aggregate produce sufficient total revenue ~~for the institution to meet all of the reasonable obligations~~ *which will enable the institution reasonably to meet all of the obligations and requirements specified herein.*

SEC. 2. *And be it further enacted,* That this Act shall take effect July 1, 1972.

Approved May 31, 1972.