

## Article 43 - Health

42A.

[ (a) Each county and Baltimore City during the fiscal year 1971 and each year thereafter shall place on deposit with the State Department of Health, funds equal to 20% of the costs for the hospital care of indigent and medically indigent persons in the respective political subdivisions, to permit the State Department of Health to pay 100% of current costs for the hospital care of those persons, provided that for the fiscal year beginning on July 1, 1974, and for each fiscal year thereafter the maximum amount of payment by any county or Baltimore City shall not exceed the amount of payment actually paid for the fiscal year beginning on July 1, 1973. The amount to be placed on deposit with the State Department of Health for each fiscal year will be that amount specified for the respective political subdivisions in estimates to be furnished to the political subdivisions by the State Department of Health during the month of December immediately preceding the beginning of the fiscal year concerned. Those estimates will be based on the same considerations as those which are incorporated in the calculations in the Governor's recommended budget. Following the close of the fiscal year for which the deposit is made, the State Department of Health shall make a final calculation of the exact amount required for the county to satisfy the provisions of this subsection. If that amount exceeds the amount which the political subdivision had placed on deposit, the additional local requirement will be reported to the political subdivision concerned, and the political subdivision shall appropriate and forward that amount to the State Department of Health within eighteen (18) months after receipt of the report. If the final calculation shows that the amount placed on deposit was in excess of the required amount to satisfy this subsection, the State Department of Health will credit the differences to each subdivision concerned in the estimates it forwards to each political subdivision in December of each year, as provided at the outset of this subsection.

(b) These funds shall be used by the State Department of Health solely for the purpose of supplementing the State general funds appropriated for hospital care so that payments for hospital service rendered to indigent and medically indigent patients will be made at full current cost as determined by the step-down accounting method in conjunction with the ratio of charge to cost procedures as recommended by the Maryland Legislative Council's committee on taxation and fiscal matters.