

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article - Health - General**

~~10-1407.~~

~~(a) (1) There is a Health Care Quality Account established in the Department.~~

~~(2) The Account shall be funded by:~~

~~(I) civil money penalties paid by nursing homes [and];~~

~~(II) other penalties that the Office of Health Care Quality may assess; AND~~

~~(III) STATE GENERAL FUNDS RECOVERED FROM A THIRD PARTY LIABILITY AUDIT OF A NURSING HOME, AS AUTHORIZED UNDER SUBTITLE 14A OF THIS ARTICLE.~~

~~(3) The Department shall pay TO THE COMPTROLLER OF THE STATE:~~

~~(I) all penalties collected under this title; AND~~

~~(II) ALL STATE GENERAL FUNDS RECOVERED FROM A THIRD PARTY LIABILITY AUDIT OF A NURSING HOME UNDER SUBTITLE 14A OF THIS ARTICLE [to the Comptroller of the State].~~

~~(4) The Comptroller shall distribute the funds collected under this title to the Health Care Quality Account.~~

~~(5) The Account is a continuing nonlapsing fund, not subject to § 7-302 of the State Finance and Procurement Article.~~

~~(6) Any unspent portions of the Account may not be transferred or reverted to the General Fund of the State, but shall remain in the Account to be used for the purposes specified in this section.~~

(b) The Health Care Quality Account shall be used for:

(1) training[.];

(2) grant awards[.];

(3) demonstration projects[.];

(4) ENCOURAGEMENT OF INNOVATIVE PRACTICES;

(5) LONG TERM CARE WORKFORCE DEVELOPMENT;

(6) TESTING THE USE OF NEW TECHNOLOGIES;

(7) IMPROVING THE SURVEY AND ENFORCEMENT PROCESS; or

(8) other purposes designed to improve the quality of care.