- (A) (1) In this section, except as provided in paragraph (2) of this subsection, "nursing facility" has the meaning stated in § 19–301 of this subtere.
- (2) "Nursing facility" does not include a facility that provides continuing care as defined in § 10-401 of the Human Services Article This section applies to a nursing facility, as defined in § 19-301 of this subtitle, that:
 - (I) HAS 45 OR MORE BEDS; AND
 - (II) OPERATES IN THE STATE.
- (2) This section does not apply to a nursing home bed in a continuing care retirement community that has obtained a certificate of registration to provide continuing care under Title 10, Subtitle 4 of the Human Services Article.
- (B) (1) THE DEPARTMENT MAY IMPOSE A QUALITY ASSESSMENT ON EACH FREESTANDING NURSING FACILITY OPERATING IN THE STATE WITH 45 OR MORE BEDS SUBJECT TO THIS SECTION.
- (2) THE AMOUNT ASSESSED PER NURSING FACILITY IN THE AGGREGATE ON ALL NURSING FACILITIES MAY NOT EXCEED 2% OF THE NET OPERATING REVENUE FOR ALL NURSING FACILITIES OPERATING IN THE STATE SUBJECT TO THIS SECTION FOR THE PREVIOUS 3 MONTH PERIOD FISCAL QUARTER.
- (3) THE AGGREGATE ANNUAL ASSESSMENT MAY NOT EXCEED THE AMOUNT NECESSARY TO FULLY FUND THE NURSING FACILITY PAYMENT SYSTEM TAKING INTO CONSIDERATION ANY OTHER REVENUE SOURCE OR COST SAVINGS THE DEPARTMENT DETERMINES COULD BE USED TO REDUCE FUNDING SHORTFALLS.
- (4) THE ASSESSMENT AUTHORIZED BY THIS SECTION SHALL BE PAID BY EACH NURSING FACILITY IN ACCORDANCE WITH THIS SECTION.
- (c) (1) ON OR BEFORE THE 15TH DAY OF EACH QUARTER OF THE STATE FISCAL YEAR, EACH NURSING FACILITY SHALL PAY TO THE STATE COMPTROLLER AN AMOUNT DETERMINED BY THE DEPARTMENT BASED ON THE REVENUE EARNED BY THE NURSING FACILITY FOR THE PREVIOUS QUARTER EXCLUDING REVENUE FROM THE MEDICARE PROGRAM.