BY repealing and reenacting, with amendments,

Article - Health - General

Section 19-319(d), 19-1301, 19-1305, 19-1305.1, and 19-1312

Annotated Code of Maryland

(1990 Replacement Volume and 1991 Supplement)

BY adding to

Article - Health - General

Section 19-1305.2 and 19-1305.3

Annotated Code of Maryland

(1990 Replacement Volume and 1991 Supplement)

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

Article - Health - General

19-319.

- (d) (1) As a condition of licensure, each hospital shall establish a utilization review program for all patients admitted to the hospital. The utilization review program:
- (i) May be conducted by an independent, nonhospital-affiliated review agent;
- (ii) Shall be performed by registered nurses, medical records technicians, or similar qualified personnel supported and supervised by physicians as may be required; and
- (iii) Shall be approved and recertified at least every 2 years by the Secretary if it meets the minimum standards established under paragraph (3) of this subsection.
- (2) If a hospital fails to provide the utilization review program required under this subsection, the Secretary may impose the following penalties:
 - (i) Delicensure of hospital; or
 - (ii) \$500 per day for each day the violation continues.
- (3) The Secretary shall, by regulation and in consultation with health care providers and payors, establish minimum standards for a utilization review program, directed at appropriateness and quality of inpatient care, as enumerated in the following items:
 - (i) Preadmission review of elective admissions;
 - (ii) Postadmission review of emergency admissions;
- (iii) Concurrent or retrospective review of all admissions as appropriate;