

**Department of Legislative Services**  
Maryland General Assembly  
2025 Session

**FISCAL AND POLICY NOTE**  
**Third Reader - Revised**

House Bill 871

(Delegate Bagnall, *et al.*)

Health and Government Operations

Finance

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**Health Services Cost Review Commission - Community Benefits - Community Health Worker Workforce Program**

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This bill alters the definition of “community benefit” to include a community health worker (CHW) workforce program between a nonprofit hospital and a community-based organization. The purpose of a CHW workforce program must be to provide services to patients of a nonprofit hospital that are intended to improve health outcomes and address social determinants of health. A nonprofit hospital and a community-based organization may collaborate to identify financial resources to address costs associated with increasing administrative capacity within the community-based organization necessary to participate in the partnership. Subject to other provisions of law governing community benefits and on the agreement of the parties, a nonprofit hospital may provide financial support to a community-based organization to cover such costs.

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**Fiscal Summary**

**State Effect:** The bill does not directly affect governmental operations or finances.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Bill Summary:** A partnership between a nonprofit hospital and a community-based organization to establish a CHW workforce program must be executed through a memorandum of understanding, which must include:

- the program design;
- goals for patient health outcomes;
- implementation procedures;
- criteria for evaluation and impact measurement;
- data collection, management, and reporting standards and protocols that are in accordance with applicable federal and State laws and regulations; and
- an agreement between the nonprofit hospital and the community-based organization identifying which party will be responsible for (1) recruiting and employing the CHW workforce; (2) supervising the workforce in the settings in which the CHWs will provide services to patients; (3) training the workforce; and (4) providing employer-sponsored health insurance coverage to each CHW.

A partnership may provide health insurance coverage to each CHW for the duration of the program if the individual does not have health insurance coverage and requests coverage.

### **Current Law:**

#### *Community Health Workers*

“Community health worker” means a frontline public worker who (1) is a trusted member of, or has an unusually close understanding of, the community being served; (2) serves as a liaison to, link to, or intermediary between health and social services and the community to facilitate access to services and improve the quality and cultural competence of service delivery; and (3) builds individual and community capacity by increasing health knowledge and self-sufficiency through a range of activities, including outreach, community education, the provision of information to support individuals in the community, social support, and advocacy.

The Maryland Department of Health (MDH) may certify an individual to practice as a CHW in the State. However, certification is not required to work as a CHW. To qualify for certification, an applicant must (1) have completed a CHW training program accredited by MDH and meet any other requirements established by MDH or (2) be exempted by MDH from the training. To apply for certification, an applicant must submit an application to MDH, pay any fee, and submit any additional materials. MDH must issue a certificate to any applicant who meets these requirements.

#### *Community Benefit Requirements*

“Community benefit” means a planned, organized, and measured activity that is intended to meet identified community health needs within a service area. “Community benefit” may include (1) a community health service; (2) health professional education;

(3) research; (4) a financial contribution; (5) a community-building activity, including partnerships with community-based organizations; (6) charity care; (7) an activity funded by a foundation; (8) a mission-driven health service; (9) an operation related to a community benefit; and (10) financial or in-kind support of the Maryland Behavioral Health Crisis Response System.

“Community health needs assessment” (CHNA) means the process required by the federal Patient Protection and Affordable Care Act by which unmet community health care needs and priorities are identified by a nonprofit hospital in accordance with federal law. Each nonprofit hospital must solicit and take into account input received from individuals who represent the broad interests of that community, including individuals with special knowledge of or expertise in public and behavioral health.

Each nonprofit hospital must conduct an annual CHNA and submit an annual community benefits report to the Health Services Cost Review Commission (HSCRC) detailing the community benefits provided by the hospital during the preceding year. The community benefit report must include:

- the mission statement of the hospital;
- a list of the initiatives that were undertaken by the hospital to identify community health needs within the hospital’s community;
- the cost to the hospital of each community benefit activity;
- a description of how each of the listed activities addresses the community health needs of the hospital’s community;
- a description of efforts taken to evaluate the effectiveness of each community benefit activity;
- a description of gaps in the availability of providers to serve the community;
- a description of the hospital’s efforts to track and reduce health disparities in the community that the hospital serves;
- a list of the unmet community health needs identified in the most recent CHNA; and
- a list of tax exemptions the hospital claimed during the immediately preceding taxable year.

#### *Health Services Cost Review Commission*

HSCRC is an independent commission within MDH established to contain hospital costs, maintain fairness in hospital payment, provide access to hospital care, and disclose information on the operation of hospitals in the State. HSCRC is responsible for implementing the Total Cost of Care Model, the successor to the Maryland All-Payer

Model Contract, under which it regulates hospital population-based revenues (commonly referred to as global budgets).

**Additional Comments:** HSCRC compiles the required community benefits reports and issues an annual [Maryland Hospital Community Health Benefit Financial Report](#).

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### **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** None.

**Information Source(s):** Maryland Association of County Health Officers; Maryland Department of Health; Maryland Insurance Administration; Department of Legislative Services

**Fiscal Note History:** First Reader - February 23, 2025  
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