

MEDCHI, THE MARYLAND STATE MEDICAL SOCIETY  
HOUSE OF DELEGATES

Resolution 16-17

INTRODUCED BY: Harford County Medical Association

SUBJECT: Certificate of Need Requirement Applicable to Group Model HMOs

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1 Whereas, State law exempts group model HMOs from the certificate of need (CON) requirement for  
2 projects to serve their own subscribers unless the project is a hospital or ambulatory surgery center (ASC);  
3 and  
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5 Whereas, unique considerations regarding hospitals, including Maryland's Medicare waiver, make it  
6 appropriate to require a CON before a new hospital may be established in the State, even if undertaken by a  
7 group model HMO; and  
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9 Whereas, those same considerations do not apply when a group model HMO undertakes an ASC project,  
10 and such projects should be exempt from the CON requirement on the same basis as other non-hospital  
11 projects are exempt from the CON requirement if undertaken by a group model HMO; and  
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13 Whereas, the CON exemption for ASCs and other non-hospital projects should apply as long as the project  
14 will serve the group model HMO's patients; therefore be it  
15  
16 Resolved, That MedChi urge the Maryland Health Care Commission, which is currently studying the  
17 certificate of need issue, to include in its study the issue of whether group model HMOs should be made  
18 exempt from the certificate of need process for ambulatory surgical centers and other non-hospital projects  
19 that will serve the group model HMO's patients.  
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22 As amended and adopted by the House of Delegates at its meeting on September 23, 2017.  
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