22.

- (a) A feasibility study approval may be denied for cause by the Office and a preliminary certificate of registration, certificate of registration, or renewal certificate may be denied, suspended, or revoked for cause by the Office. Grounds for denial, suspension, or revocation include violation of the provisions of this subtitle, violations of [rules or] regulations issued by the Office pursuant to this subtitle, misrepresentations, or submissions of any false financial statement. For any denial, suspension, or revocation, the Office shall set forth its reasons in writing.
- (b) The proceedings governing the appeal of a denial, revocation, or suspension shall be conducted in accordance with the Maryland Administrative Procedure Act.

  23.

Any operation subject to the provisions of this subtitle shall not be subject to the provisions of the Health Maintenance Organization Act of the Health - General Article [,]; Article 48A, except § 470N[,]; [or] Title 8 of the Real Property Article of Maryland Annotated Code[.]; OR ANY COUNTY the OR MUNICIPAL LANDLORD-TENANT LAW. IF A PROVIDER CONTRACTUALLY UTILIZES THE SERVICES OF A LICENSED HOME HEALTH AGENCY OR RESIDENTIAL SERVICE AGENCY AND IS NOT ITSELF DIRECTLY PROVIDING THE TYPE OF SERVICES PROVIDED BY A HOME HEALTH OR RESIDENTIAL SERVICE AGENCY, THEN THE PROVIDER SHALL NOT BE SUBJECT TO THE PROVISIONS OF TITLE 19, SUBTITLES 4 AND 4A OF THE HEALTH - GENERAL ARTICLE OF THE MARYLAND ANNOTATED CODE. Under § 470N of Article 48A, the liability of the provider to the State Department of Health and Mental Hygiene shall be limited to the amount of money which would be due as a refund if the subscriber were dismissed under § 15 at the time of enrollment in services rendered by, or paid in full or in part by the State Department of Health and Mental Hygiene.

SECTION 2. AND BE IT FURTHER ENACTED, That Article 70B, § 11E(a)(2) of the Code as enacted by this Act may not take effect until the Office on Aging adopts regulations that set forth objective standards that are based on industry experience that providers can use to determine independently beforehand that sales, transfers, or dispositions will not violate the applicable standard.

## SECTION 2. AND BE IT FURTHER ENACTED, That:

- (a) The Office on Aging shall adopt regulations establishing objective standards, based on industry experience, for provider financial stability and capacity to carry out obligations under continuing care agreements in the event of a sale, transfer, or other disposition of assets equal to or less than 10% of the total assets of a provider; and
- (b) Article 70B, § 11E(a)(2) of the Code, as enacted by this Act may not take effect until the Office on Aging adopts regulations as set forth in Section 2(a) of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That, except as provided in Section 2 of this Act, this Act shall take effect October 1, 1996.

Approved April 30, 1996.