



Partnership
Development
Group

Fostering community integration
for individuals with disabilities

Testimony on House Bill 772:
**Workgroup on Behavioral Health Rate Methodology Modernization -
Establishment**

House Health Committee

February 25, 2026

POSITION: FAVORABLE

My name is Sondra Tranen, and I am the Executive Vice President at The Partnership Development Group, Inc. (PDG), a community-based behavioral health provider serving adults with severe behavioral health disorders in Central Maryland.

PDG strongly supports HB772 because it strengthens Maryland's rate study process by ensuring independence, transparency, and meaningful provider participation. It improves the process. It does not mandate automatic rate increases. It ensures that rate-setting is clear, data-informed, and grounded in operational reality.

At PDG, we serve approximately 1,500 individuals each year through Psychiatric Rehabilitation, Case Management, and outpatient therapy. We are experiencing real operational strain. Medicaid rates were flat funded for years before the Hope Act. We've received 3% increases through 2025, but even with that, we're falling behind. With inflation running at 3.4% over the past three years, flat funding has meant our purchasing power has decreased by roughly 9.5%. Meanwhile, our costs—rent, insurance, everything—continue to climb.

The result: we cannot pay our care coordinators a livable wage. We've lost 15 coordinators in the past 12 months, and recruiting replacements takes about 40 days. Each vacancy means clients fall through the cracks.

When we lose a care coordinator, their 12-15 clients get redistributed to already-full caseloads. Overworked staff provide fewer effective services. Based on our data, when one coordinator leaves, approximately five clients disengage from services entirely.

Here's what that looks like in practice: A client who was stable for two years, working part-time, lost their coordinator. Within six weeks, they missed medication appointments, stopped attending therapy, and ended up in the ER three times. Each visit cost thousands of dollars and could have been prevented.

Current reimbursement does not reflect the full cost of delivering care. We have absorbed increased costs related to supervision, compliance, documentation, and

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reporting. These requirements are necessary, but they depend on staffing and infrastructure that are not accounted for in the current rates.

Providers delivering care every day should have a formal role in informing how rates are studied and developed. HB772 ensures that providers have a seat at the table so that the methodology reflects the actual cost of delivering services in Maryland communities.

For these reasons, I respectfully request a favorable report on HB772.

Sincerely,
Sondra Tranen, Executive Vice President
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