

February 18, 2026

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The Hon. Heather Bagnall, Chair
House Health Committee
Maryland General Assembly
241 Taylor House Office Building
6 Bladen Street
Annapolis, MD 21401

The Hon. Bonnie Cullison, Vice Chair
House Health Committee
Maryland General Assembly
241 Taylor House Office Building
6 Bladen Street
Annapolis, MD 21401

RE: Pyramid Healthcare Testimony In Favor of House Bill 772 – An Act Concerning “Workgroup on Behavioral Health Rate Methodology Modernization - Establishment”

Dear Chair Bagnall, Vice Chair Cullison, and members of the Committee:

The Pyramid Healthcare, Inc. (“Pyramid Healthcare”) family of companies urges the Committee to favorably report HB 772, which would establish “the Workgroup on Behavioral Health Rate Methodology Modernization in the Maryland Health Care Commission to develop transparent, cost-based reimbursement methodologies for certified community behavioral health clinics and outpatient mental health centers.” We respectfully request an amendment to include substance use disorder (“SUD”) treatment providers in the bill.

The Pyramid Healthcare family of companies is an integrated behavioral healthcare system serving Medicaid, commercial, Affordable Care Act Exchange, and veterans affairs clients in nine (9) states across a continuum of residential and outpatient substance use disorder (“SUD”), mental health, autism, and eating disorder treatment services. We employ over 3,600 team members across our 80+ active facilities caring for over 14,000 unique commercial and Medicaid patients every day throughout our locations. With over 2,100 active beds throughout our system, we are one of the largest adult Medicaid residential SUD treatment providers in the country.

In Maryland, we operate five locations serving over 2,000 residents per year: a withdrawal management & residential treatment center and an outpatient treatment center in California; a withdrawal management & residential treatment center in Charlotte Hall; a withdrawal management & residential treatment center in Joppa; and a withdrawal management & residential treatment center in Bowie. In total, we have almost 275 licensed SUD residential treatment beds for adult Medicaid clients across the state. We also have two facilities in the eastern panhandle of West Virginia which are able to serve Maryland Medicaid clients in western Maryland.

We strongly support HB 772 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. Employers are experiencing historic workforce turnover and staffing challenges. This is a particular issue for Medicaid providers who have fixed reimbursement rates and are unable to pass on higher labor costs to their customers.

Current reimbursement does not reflect the full cost of delivering care. We have absorbed increased costs related to supervision, compliance, documentation, and 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. HB 772 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, we respectfully request a favorable report on HB 772.

Thank you for your support of behavioral health providers – including those in both substance use disorder and mental health – in Maryland and for considering our policy proposals and recommendations on behalf of Pyramid Healthcare. If we can provide any additional information or materials, please contact me at crosier@pyramidhc.com or 667-270-1582. In addition, we invite you or a member of the Committee or staff to reach out and schedule a visit to one of our Maryland locations sometime soon to learn more about our programs and services.

Sincerely,

A handwritten signature in black ink, reading "Collan B. Rosier". The signature is fluid and cursive, with the first name "Collan" being more prominent than the last name "Rosier".

Collan B. Rosier
Vice President of Government Relations

CC: Members, House Health Committee
Alicia Altamirano, Assistant to the Chair