



# Archway Station, Inc.

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Testimony on House Bill 772:

**Workgroup on Behavioral Health Rate Methodology Modernization - Establishment**

House Health Committee

February 25, 2026

**POSITION: FAVORABLE**

My name is Jim Raley, and I am the Executive Director at Archway Station Inc. , a community-based behavioral health provider serving Western Maryland in Allegany and Garrett Counties.

Archway Station 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 Archway, we serve over 300 individuals each year through a myriad of programs including residential programs, Assertive Community Treatment, PRP (adults and minors), and Recovery Housing for Women with Children. We are experiencing real operational strain. We recently had to work with the ASO to pursue unpaid claims in order to meet obligations. For years, we have been able to operate comfortably but with new demands many of our programs are in jeopardy of closing.

While we emerged from COVID well positioned, securing supplemental funds that helped to offset our losses during that time, we still have not gone back to an operational structure that allows us to remain competitive in an area where mental health professionals are at a premium. There are many uncertainties for our programs, including the staffing of our Assertive Community Treatment team to meet fidelity standards and meet COMAR regulations. Our crisis beds are often vacant with individuals opting not to secure crisis services, even though we have mobile crisis teams and other community resources.

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. We have invested in capital projects including the purchase of new facilities that are necessary when operating residential programs and community treatment teams.

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.

Respectfully,

James M. Raley, Executive Director