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The Hon. Joseline A. Pena-Melnyk, Chair Health and Government Operations Committee Maryland General Assembly 241 Taylor House Office Building 6 Bladen Street Annapolis, MD 21401 The Hon. Bonnie Cullison, Vice Chair Health and Government Operations Committee Maryland General Assembly 241 Taylor House Office Building 6 Bladen Street Annapolis, MD 21401

RE: Pyramid Healthcare Favorable with Amendments Testimony re Senate Bill 283 / House Bill 418 – An Act Concerning "Mental Health - Workforce Development - Fund Established"

Dear Chair Pena-Melnyk, Vice Chair Cullison, and distinguished members of the Committee:

The Pyramid Healthcare, Inc. ("Pyramid Healthcare") family of companies is providing information and feedback below regarding Senate Bill 283, an act concerning "Mental Health - Workforce Development - Fund Established." We support the creation of the Behavioral Health Workforce Investment Fund and the use of funding to address workforce development challenges in the behavioral health space and urge you to adopt the legislation with an amendment to clarify that the behavioral health workforce includes those working in substance use disorder in addition to those in the mental health space.

As background, Pyramid Healthcare was founded in 1999 and is an integrated behavioral healthcare system that employs over 3,000 professionals caring for 12,000 unique commercial and Medicaid patients per day throughout our residential and outpatient locations across eight states. We offer a treatment continuum providing comprehensive behavioral healthcare specialties, including: substance use disorder, mental health, autism, and eating disorder treatment across an integrated network of service lines and affiliated behavioral healthcare organizations. In Maryland, Pyramid Healthcare operates 170 licensed behavioral healthcare treatment beds in additional to outpatient behavioral health treatment facilities across four locations which serve thousands of clients per year. In addition, we recently received approval for our certificate of need (CON) application to build a residential chemical dependency treatment center in Bowie, Prince George's County.

These facilities serve adult men and women with substance use disorder and co-occurring mental health disorders by providing medically-managed detoxification, short-term and long-term residential rehabilitation, partial hospitalization (PHP), and intensive outpatient (IOP) services as well as medication-assisted treatment (MAT) for opioid use disorder. All of our facilities are licensed by the State of Maryland and accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF).

More aggressive action needs to be taken to ensure a provider network that is able to administer the full continuum of care across the behavioral healthcare spectrum. In spite of a tremendous demand for high-quality care, uncompetitive reimbursement rates and a lack of funding prohibits providers from recruiting and retaining appropriate staffing to serve our patients and force us to limit services and turn away patients in need of care.

Securing adequate staff has always been a challenge in the behavioral health field, but this challenge has become insurmountable as a result of an unprecedented labor environment represented by the COVID-19 pandemic and the resulting "Great Resignation." Employers are experiencing historic workforce turnover and overall staffing challenges that have exacerbated underlying trends that were already present for behavioral health providers. 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. We are unable to compete with non-behavioral healthcare providers for staff, and increasingly as a result of general burnout and fatigue, we are also competing against non-healthcare employers who are able to provide superior compensation and benefits in a reduced stress environment that does not involve face-to-face treatment of a person experiencing mental health and drug and alcohol use disorders.

Much work is needed to ensure a robust network of behavioral health clinicians and team members exists to serve the current and future need for treatment capacity throughout the state. The establishment of the Behavioral Health Workforce Investment Fund and clarification that it applies to substance use treatment providers is an important step in addressing these challenges.

Please consider this feedback and amend the legislation accordingly. Thank you for your support of behavioral health providers – including those in both mental health and substance use – 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,

Collan B. Rosier

Vice President of Government Relations

CC: Members, House Health and Government Operations Committee Gail L. Wegner, Assistant to Chair