Maryland
DEPARTMENT OF HEALTH

*Wes Moore, Governor · Aruna Miller, Lt. Governor · Laura Herrera Scott, M.D., M.P.H., Secretary*

February 26, 2025

Honorable Joseline A. Pena-Melnyk
Chair Health and Government Operations Committee
240 Taylor House Office Building
House Office Building, Room 131
Annapolis, Maryland 21401

**RE: House Bill 962 - Public Health - Pediatric Hospital Overstay Patients - Letter of Support with Amendments**

Dear Chair Pena-Melnyk and Committee Members:

The Maryland Department of Health (Department) respectfully submits this letter of support with amendments for House Bill (HB) 962 - Public Health - Pediatric Hospital Overstay Patients. This bill seeks to specify that the Maryland Mental Health and Substance Use Disorder Registry and Referral System include both private and State providers, that the state annual budget include an appropriation for all authorized positions in Maryland's Regional Institutes for Children and Adolescents (RICAs), and permits funds designated for the Department's Adolescent Hospital Overstay Program to be used for this purpose. This bill also proposes to create a new position in the Governor's Office for Children (GOC), the Pediatric Hospital Overstay Coordinator, to oversee related efforts.

The Department's current Mental Health and Substance Use Disorder Registry and Referral System, the Behavioral Health Hospital Coordination Dashboard, aims to improve the process and urgency of connecting children and adults with behavioral health inpatient psychiatric beds around the state. The Department is in the process of procuring a software vendor to establish a new statewide electronic system that will replace the current dashboard, create a comprehensive provider directory for inpatient, crisis, and outpatient services and streamline the referral process across providers.

In addition to these efforts, the Department funds the 211 Behavioral Health Care Coordination program, which supports and connects hospital staff, discharge planners, and social workers in emergency departments to community-based behavioral health resources for patients. In order for this electronic Bed Registry and Referral System to be successful, we recommend requiring hospitals and all inpatient, outpatient, and crisis behavioral health providers to provide Directory information and update service availability in real-time. It is critical that all state overstay efforts outlined in the bill are connected with this Bed Registry and Referral System, which will be administered by the Department.

Interagency collaboration to address pediatric overstays is critical to the wellbeing of Maryland's youth with serious emotional disturbances. The Department has staff who actively collaborate with other state agencies - including the Department of Human Services (DHS) - to weekly track and provide technical assistance to providers working with complex and overstay pediatric and adult patients in inpatient and emergency room settings. The group also uses the forum to collaborate on strategies to address the needs of these youth, including group discussion on resources to address pediatric overstays.

The bill proposes that the Department, in coordination with DHS, "ensure" that a pediatric hospital overstay patient is transferred to and treated in the least restrictive setting possible. While the Department always does their best to help identify the least restrictive setting possible, ultimately, hospitals and facilities determine which patients to admit. Given the Department's current efforts to track pediatric overstays, we believe that operational and financial resources should focus on expanding and enhancing programming to meet the needs of youth outside of hospitals. The Department has proposed amendments to track the current work underway.

Moreover, the Department has significant concerns about ensuring placements as the Department is not a placement agency nor has the authority to ensure admittance to a facility or program. The Department has no legal authority for the transfer and treatment of youth. The Department will defer to the Office of the Attorney General but there is some concern with this language.

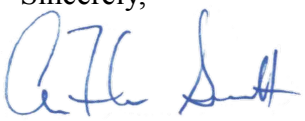
While the legislation calls for a rate study, the Department would like to highlight that HB1329/SB967—Heroin & Opioid Prevention Effort (HOPE) & Treatment Act of 2017 (Chs. 571 and 572 of the Acts of 2017) requires the Department to conduct cost-driven, rate-setting studies to set community-based behavioral health provider rates and implement a payment system based on study findings. The Department has selected a vendor and has begun the process to develop next steps for this initiative that will cover parts of the study outlined in this legislation.

The Department also notes that due to federal rules related to upper payment limits, meaning that Medicaid may not pay providers more than what Medicare would pay for the same service, RTCs are unable to be reimbursed on a prospective payment system. Therefore, because of federal rules, a study to assess prospective payment systems for RTCs is not possible to implement. The Department notes that it does have regulations COMAR 10.09.29.07 to support the treatment of children with particularly acute illnesses as needed to ensure RTC providers are adequately reimbursed for the services they provide.

Should this legislation be implemented, the Department anticipates a significant investment in state general funds with a total approximate cost of $5,678,682. This is reflective of approximately 2 FTE across four (4) positions to support day-to-day program operations with a cost of $193,986**.** This legislation will also require the Department to review reimbursement rates paid to residential treatment centers and respite care facilities and study the implementation of a prospective payment model with an anticipated cost of $101,111. Moreover, this legislation calls for increased staffing of the RICAs, with an estimated cost of $5,383,585 for the fiscal year 2026.

The Department recognizes that there is a need for a behavioral health continuum of care for youth and families that is made readily available; however this legislation, as currently written, will not solve the current overstay concerns. The Department continues to participate in conversation with bill sponsors and stakeholders and suggests the following amendments. If you would like to discuss this further, please do not hesitate to contact Sarah Case-Herron, Director of Governmental Affairs at sarah.case-herron@maryland.gov.

Sincerely,



Laura Herrera Scott, M.D., M.P.H.
Secretary

AMENDMENTS TO HOUSE BILL 962
(First Reading File Bill)

On page 2, insert after line 29 "**(5) PROVIDERS OF MENTAL HEALTH AND SUBSTANCE USE DISORDER SERVICES, INCLUDING INPATIENT, CRISIS, AND OUTPATIENT SERVICES, SHALL PROVIDE DATA IN REAL TIME TO EFFECTUATE THE REGISTRY AND REFERRAL SYSTEM.**".

On page 3, in line 5, strike "UNDER THE AGE OF 22 YEARS" and substitute "**21 YEARS OR YOUNGER**".

On page 3, insert after line 7 "**COORDINATOR" MEANS THE PEDIATRIC HOSPITAL OVERSTAY COORDINATOR WITHIN THE MARYLAND DEPARTMENT OF HEALTH AND DEPARTMENT OF HUMAN SERVICES**".

On page 3, in line 6, strike "24" and substitute "48"; and in the same line, strike starting with "BEING" through "TRANSFER" in line 7 and substitute "**BEING STABILIZED UNDER THE PROVISIONS OF THE EMERGENCY MEDICAL TREATMENT AND LABOR ACT AND READY FOR APPROPRIATE COMMUNITY PLACEMENT. IF THE YOUTH EXCEEDS 48 HOURS IN THE EMERGENCY DEPARTMENT AND THE HOSPITAL OR BED REGISTRY SHOWS AVAILABILITY FOR AN INPATIENT BED THE HOSPITAL WILL SEEK THE APPROPRIATE TRANSFER TO MAINTAIN CLINICAL STABILITY OF THE YOUTH.**".

On page 3, line 12, before "POSSIBLE" insert "**WHEN CLINICALLY INDICATED AND/OR WHEN**".

On page 3, line 18, strike starting with "(A)(1)" through "Committee." on page 6, line 14 and substitute, "**(A) THERE IS A PEDIATRIC HOSPITAL OVERSTAY COORDINATOR WITHIN THE DEPARTMENT AND DEPARTMENT OF HUMAN SERVICES.**

**(B) THE COORDINATORS SHALL ACT IN THE BEST INTEREST OF A PEDIATRIC HOSPITAL OVERSTAY PATIENT BY COORDINATING BETWEEN HOSPITALS, RELEVANT STATE AGENCIES AND PROGRAMS, AND PROVIDERS OF MENTAL HEALTH AND SUBSTANCE USE DISORDER SERVICES.**

**(C) THE COORDINATORS SHALL:**

**(1) ADVOCATE ON BEHALF OF PEDIATRIC HOSPITAL OVERSTAY PATIENTS WHILE MAINTAINING APPROPRIATE PATIENT CONFIDENTIALITY;**
**(2) REVIEW POLICIES AND PROCEDURES OF RELEVANT STATE AGENCIES AND MAKE RECOMMENDATIONS FOR NECESSARY CHANGES TO THE POLICIES AND PROCEDURES TO BETTER SERVE PEDIATRIC OVERSTAY PATIENTS;**
**(3) MAINTAIN DATA ON EACH PEDIATRIC HOSPITAL OVERSTAY PATIENT, INCLUDING:**

**(I) PATIENT'S LENGTH OF STAY;**

**(II) THE RESPONSIBLE STATE AGENCY, IF APPLICABLE;**

**(III) SERVICES NEEDED;**

**(IV) PLACEMENT OPTIONS BEING SOUGHT BY THE PATIENT;**

**(V) INFORMATION REGARDING PREVIOUS HOSPITAL ADMISSIONS FOR BEHAVIORAL HEALTH DIAGNOSIS; AND**

**(VI) ANY OTHER RELATED DATA, AND**

(4) **REPORT ON THIS DATA COLLECTED TO THE SECRETARY.**".