



Wes Moore, Governor · Aruna Miller, Lt. Governor · Ryan Moran, DrPH, MHSA, Acting Secretary

March 6, 2025

Honorable Joseline A. Peña-Melnyk
Chair, Health and Government Operations
240 Taylor House Office Building
Annapolis, MD 21401-1991

The Honorable Emily Shetty, Chair
Chair, Health and Human Services
120 Taylor House Office Building
Annapolis, MD 21401-1991

Re: Hearing Follow Up: House Bill 962 - Public Health - Pediatric Hospital Overstay Patients

Dear Chair Peña-Melnyk and Chair Shetty:

We are writing to follow up on the questions posed to the Maryland Department of Health (Department) during the bill hearing on House Bill (HB) 962.

A question was asked about the Behavioral Health Administration's budget and the funding priorities that would support addressing pediatric hospital overstays. The \$2 million for hospital discharge in FY 26 for 35 RRP beds is a continuation of the Department's investment in the State Hospital Discharge initiative, aimed at decompressing the Department's court ordered waitlist. \$1 million investment mentioned is for adolescent inpatient SUD beds. Additionally, the Department has a partnership with Brook Lane for adolescent inpatient beds that will create a new pathway for those with SUD or co-occurring BH needs.

The Department was asked to clarify what the \$10.3 mil would be used for. The \$10.3m is the State's Medicaid match for the implementation and expansion of 1915(i) which is for home and community-based services. The 1915(i) is an upstream effort to serve youth in home and community-based services before entering into a crisis situation. In order to receive federal Medicaid match funds the State must contribute 50% of the program's total anticipated expenditures. This \$10.3m reflects that investment in order to draw down the federal funds. Referrals to these services will also be available to youth who experience overstays in pediatric hospitalizations and emergency rooms but they will not create new bed capacity for higher levels of care such as residential treatment centers.

I wanted to enumerate the items in the BHA budget that are the budgeted in FY26 in general funds state match for Medicaid programs:

- School-based mental health services: \$12,100,000
- 1915(i) enhancements inclusive of TCM I, II & III, Peer Support Services effective April 1, 2025: \$10,300,000
- BHASO MITDP Backfill: \$11,813,436
- Re-entry Waiver: \$4,442,432
- Increase in EPSDT BH screening rates by 10% effective January 1, 2025: \$1,800,000
- Mental Health Peers in FQHCs effective January 1, 2025: \$2,333,062

Regarding readmission for residential treatment centers under the purview of the Department, John L. Gildner Regional Institute for Children and Adolescents (RICA) and RICA Baltimore. If a youth is successfully discharged from one of the RICAs and then has another referral at a later date, then the standard admissions process is followed. Meaning a discharged youth would still have to meet admission criteria and may not be re-admitted if they no longer do. When a youth is admitted to a hospital (psychiatric or medical) they are discharged but the RICA will hold that bed for the youth and re-admit upon discharge from the hospital. Beds can also be held for youth that have eloped.

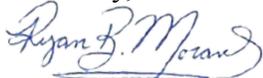
The Department was asked to explain the differences between last year's [HB 1376](#) Maryland Medical Assistance Program, Maryland Children's Health Program, and Health Insurance - Special Pediatric Hospitals bill and this year's bill, HB 962 - Public Health - Pediatric Hospital Overstay.

HB 1376 proposed Medicaid and insurers provide an enhanced administrative fee for specialty pediatric hospitals for certain pediatric patients and prohibit a prior authorization for a transfer of a patient to a specialty pediatric hospital. The proposed legislation did not increase bed capacity.

The Department was asked to provide clarification around the fiscal note, specifically regarding staffing. We are taking a look at the fiscal note to ensure that the bill language is reflected in what was submitted and will revise accordingly.

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,



Ryan Moran, Dr. P.H., MHSA
Acting Secretary