



HB772 – Workgroup on Behavioral Health Rate Methodology Modernization – Establishment

Senate Finance Committee

March 31, 2026

POSITION: SUPPORT

My name is Nicole Graner and I am the Director of Government Affairs and Public Policy for the Community Behavioral Health Association of Maryland. I am pleased to submit written testimony in strong support of House Bill 772 and urge a favorable report.

The Community Behavioral Health Association of Maryland (CBH) is the leading voice for community-based providers serving the mental health and addiction needs of Marylanders across the state. Our 95 members serve the majority of individuals who access care through the public behavioral health system. CBH members provide outpatient and residential treatment for mental health and addiction-related disorders, day programs, case management, Assertive Community Treatment (ACT), employment supports, and crisis intervention.

Our members have operated for years under reimbursement rates that do not reflect what it costs to deliver quality care. When rates fall short of real costs, providers face impossible choices: cut services, reduce staff, or close programs. The people who depend on those services, our neighbors, our family members, people working hard in recovery, are the ones who pay the price. Rate modernization is not an administrative exercise; it is essential to keeping care accessible for the Marylanders who need it most.

CBH supported the original bill, and strongly support the amended version. The amendments transform HB772 from a standalone workgroup into a coordinated, action-forcing framework and that distinction matters. The amended bill requires MDH to use the ongoing cost study mandated by the HOPE Act of 2017 in direct coordination with the Workgroup's recommendations. This ensures the Workgroup is not merely advisory but directly shapes State action, creating a clear path from data, to methodology, to implementation.

The amendments also establish the Maryland Health Care Commission as a neutral facilitator bringing independent analytical credibility and a transparent, stakeholder-driven process that providers have long called for. A designated technical liaison between MDH and MHCC will keep the work connected across agencies and prevent the kind of fragmentation that has undermined past efforts. And critically, rates will be grounded in actual provider cost data, capturing workforce, supervision, and compliance costs rather than outdated assumptions. A realistic timeline with aligned reporting deadlines reflects the complexity of this work while keeping accountability front and center.

Maryland has set ambitious goals for its behavioral health system including reducing emergency department boarding, expanding crisis services, and stabilizing the workforce. None of those goals can be achieved if the providers delivering those services cannot keep their doors open. HB772, as amended, is the foundation this can be built on.

For these reasons, CBH respectfully urges a favorable report on House Bill 772.

For more information contact Nicole Graner, Director of Government Affairs and Public Policy, at Nicole@MDCBH.org.