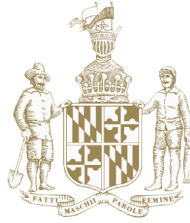


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Social Services Subcommittee

Rules and Executive  
Nominations Committee

**THE MARYLAND HOUSE OF DELEGATES**  
ANNAPOLIS, MARYLAND 21401

**HB772**

**Testimony on Behavioral Health Rate Methodology Modernization – Workgroup  
Establishment and Study**

Chair Pamela Biedle, Vice Chair Antonio Hayes, and esteemed members of the Finance Committee, thank you for the opportunity to testify in support of HB 772. House Bill 772 focuses on establishing a Workgroup on Behavioral Health Rate Methodology Modernization in Maryland. This bill aims to develop transparent, cost-based reimbursement methodologies for certified community behavioral health clinics and outpatient mental health centers.

Maryland's behavioral health system is under significant strain, driven by increased demand, workforce shortages, and chronic underinvestment in community-based providers. While certified community behavioral health clinics (CCBHCs) and outpatient mental health centers (OMHCs) are expected to deliver comprehensive, high-quality services, current reimbursement rates often do not reflect the full cost and extent of care. This severe disconnect threatens provider sustainability and limits access for individuals who rely heavily on these services.

HB 772 takes a critical and responsible step toward addressing this challenge by establishing the Workgroup on Behavioral Health Rate Methodology Modernization within the Maryland Health Care Commission (MHCC). Convening a group of diverse stakeholders to identify and analyze transparent, cost-based reimbursement methodologies, this bill will help ensure that behavioral health funding aligns with service delivery realities and supports long-term system stability in the behavioral health sector.

As it passed the House by 111-13, this legislation prioritizes thoughtful analysis over rushed solutions, and allows Maryland to build on the work that the Maryland Department of Health (MDH) has underway from the HOPE Act of 2017. This new workgroup and study facilitated by MHCC will assess existing rate-setting practices, identify gaps, and develop evidence-based recommendations that support access, quality, and workforce retention. The agencies and advocates are all in support of HB 772, which also passed through the Health Committee and the Floor with bipartisan support.

Modernizing behavioral health rate methodologies is paramount to strengthening Maryland's continuum of care. Without sustainable reimbursement, providers are forced to reduce services,

limit enrollment, or close altogether. These outcomes often disproportionately affect underserved and high-need communities like those living in poverty and communities of color.

This new workgroup and study are crucial to ensure reimbursement rates reflect the true cost of care as mental health care needs continue to grow statewide. Maryland is facing workforce shortages, rising demand, and ongoing access gaps, particularly for Medicaid recipients, rural communities, and other underserved populations. Outdated payment structures often fail to keep pace with inflation, and the complexity of behavioral health services. HB 772 is a step toward building a more sustainable system that better supports the Marylanders who rely heavily on this care.

**Thank you for the committee's consideration, and I respectfully request a favorable report on HB 772.**