Maryland
DEPARTMENT OF HEALTH
*Wes Moore, Governor · Aruna Miller, Lt. Governor · Meena Seshamani, M.D., Ph.D., Secretary*

March 4, 2026

The Honorable Pamela Beidle
Chair, Senate Finance Committee
3 East Miller Senate Office Building
Annapolis, Maryland 21401

**RE: Senate Bill 738—Maryland Medical Assistance Program and Health Insurance - Required Coverage - Mobile Crisis and Crisis Stabilization—Letter of Support with Amendments**

Dear Chair Beidle and Committee Members,

The Maryland Department of Health (the Department) respectfully submits this letter of support with amendments for Senate Bill (SB) 738 - Maryland Medical Assistance Program and Health Insurance - Required Coverage - Mobile Crisis and Crisis Stabilization. Effective January 1, 2027, SB 738 would require commercial insurance carriers to provide coverage for mobile crisis and crisis stabilization services.

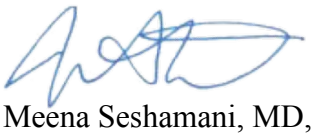
To clarify the definition of a mobile crisis response and stabilization service and ensure all components of the service are covered, and to ensure that benefit is in parity with the medical and surgical benefits contained in the coverage in accordance with the federal *Mental Health Parity and Addiction Equity Act of 2008*, 42 USC 300gg-26, the Department proposes the attached amendments for the Committee's consideration. These amendments would (1) remove the reference to managed care organizations as these are the capitated plans that provide physical health services to Medicaid beneficiaries and are not responsible for behavioral health care under the State's carve-out model; (2) amend the definition of mobile crisis and crisis stabilization services; (3) clarify the service includes initial crisis response and follow-up; and (4) add a subsection (D) to include language on parity.

Recent data on death related to behavioral health crisis from suicide or substance related disorder show significant gaps in individual's ability to access urgent behavioral health services. Children and adults who do not receive such services are at risk of experiencing unnecessary involvement with law enforcement, lengthy emergency department wait times and boarding, involuntary admission, or institutional placement. Increasing access to and the sustainability of mobile crisis services for all Marylanders will prevent and address mental health and substance use-related crises, save lives, enable families to remain together, provide person-centered and

recovery-oriented care in the community, reserving high-intensity, expensive resources only when necessary.[1]

If you would like to discuss this further, please do not hesitate to contact Meghan Lynch, Director of Governmental Affairs at meghan.lynch@maryland.gov.

Sincerely,



Meena Seshamani, MD, PhD
Secretary of Health

[1] Substance Abuse and Mental Health Administration: 2025 National Guidelines for a Behavioral Health Coordinated System of Crisis Care. PEP24-01- 037: Substance Abuse and Mental Health Services Administration, 2025. https://library.samhsa.gov/sites/default/files/national-guidelines-crisis-care-pep24-01-037.pdf

AMENDMENTS TO SENATE BILL 738
(First Reading File Bill)

AMENDMENT NO. 1
On page 2, strike lines 7 through 9 in their entirety.

*Rationale*: The language here refers to managed care organizations (MCOs). MCOs are the capitated health plans that provide physical health services for Medicaid beneficiaries; they do not cover behavioral health services under the State's carveout model.

AMENDMENT NO. 2
On page 2, strike beginning with "**MEANS**" in line 25 continuing through "**STABILIZATION**" in line 26 and substitute "**ARE DEFINED UNDER CODE OF MARYLAND REGULATIONS 10.63.03.20 AND 10.63.03.21.**"

AMENDMENT NO. 3
On page 3, line 7, after "**MOBILE CRISIS**" and before **"AND CRISIS STABILIZATION SERVICES**" insert "**, INCLUDING THE INITIAL CRISIS RESPONSE AND FOLLOW-UP.**"

*Rationale for Amendments 2 & 3:* We suggest specifying exactly which services this bill applies by using the definition promulgated in the Code of Maryland Regulations.

AMENDMENT NO. 4
On page 3, line 7, after "**AND CRISIS STABILIZATION SERVICES**" insert: "**(D) SUCH BENEFITS SHALL BE IN PARITY WITH THE MEDICAL AND SURGICAL BENEFITS CONTAINED IN THE COVERAGE IN ACCORDANCE WITH THE FEDERAL MENTAL HEALTH PARITY AND ADDICTION EQUITY ACT OF 2008, 42 USC 300GG-26, EVEN WHERE THOSE REQUIREMENTS WOULD NOT OTHERWISE APPLY DIRECTLY. COVERAGE REQUIRED UNDER THIS SUBSECTION SHALL INCLUDE MOBILE CRISIS SERVICES AND CRISIS STABILIZATION SERVICES TO THE EXTENT THAT SUCH SERVICES ARE COVERED IN OTHER SETTINGS OR MODALITIES, REGARDLESS OF ANY DIFFERENCE IN BILLING CODES."**

*Rationale:* Senator Augustine suggested the Behavioral Health Administration review similar legislation from Virginia. The above language largely replicates Chapter 187, Virginia Laws of 2023. If there are concerns about achieving parity in FY2027, this provision could take effect at a later date such as FY2028 or FY2029, permitting commercial health insurance carriers time to achieve compliance.