



Wes Moore, Governor · Aruna Miller, Lt. Governor · Meena Seshamani, M.D., Ph.D., Secretary

March 6, 2026

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

RE: Senate Bill 876 — Recovery Residences - Certification - Requirement — Letter of Information

Dear Chair Beidle and Committee Members,

The Maryland Department of Health (the Department) respectfully submits this letter of information for Senate Bill (SB) 876 - Recovery Residences - Certification - Requirement. SB 876 would require a credentialing entity approved by the Department to certify all recovery residences within the state. In addition to the list of recovery residences that have obtained a certificate of compliance, the credentialing entity shall submit an updated list to the Department as necessary. The Department and credentialing entity shall publish and maintain the list of certified recovery residences on its website.

As of September 2025, the Behavioral Health Administration (BHA) was aware of 241 noncertified recovery residences throughout Maryland. As of January 2026, there are 278 certified recovery residences located throughout the state. SB 876 will increase the number of recovery residences required to become certified from 278 to at least 519 recovery residences a year.

As drafted, SB 876 will cause a significant and ongoing strain on BHA staffing capacity and resources. As drafted, the bill's estimated fiscal note is over \$1 million in FY2027, with substantially similar costs in subsequent years, as the workload cannot be absorbed by existing staff. Certifying these additional homes will double the Department's current workload and continue to increase as the Department sees a 5 percent increase in new organizations seeking to certify recovery residences each month. At present, the Department has one manager and three field assessors to oversee certified recovery residences, with an average caseload of 93 residences per staff member.

Under the bill, the Department would be responsible for:

- Conducting initial site visits and full certification reviews for currently non-certified residences;
- Performing routine recertifications for all certified residences;
- Carrying out ongoing compliance monitoring and follow-up inspections;
- Investigating complaints; and
- Taking enforcement action when necessary.

Once certification becomes mandatory, the Department projects that many newly certified recovery residences may seek eligibility for MDRN funding, increasing administrative responsibilities and service coordination demands within the MDRN Administrative Services Organization (ASO), further expanding the workload across both certification and funding operations.

The Department appreciates the Committee's consideration of this information. For additional information, please contact Meghan Lynch, Director of Governmental Affairs at meghan.lynch@maryland.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Meena Seshamani', with a stylized flourish at the end.

Meena Seshamani, MD, PhD
Secretary of Health