



Testimony on Senate Bill 39:

**Behavioral Health - Certified Community Behavioral Health Clinics and Outpatient  
Mental Health Centers - Reimbursement Rates**

Senate Finance Committee

March 3, 2026

**POSITION: FAVORABLE WITH AMENDMENTS**

My name is Bill Brooks, and I am the President & CEO at Maryland Community Health Initiatives, Inc. a/k/a Penn North Recovery, a community-based behavioral health provider serving men and women in Baltimore City.

SB39 intends to become a cross-file of HB772, and amendments have been prepared to align the two pieces of legislation. Penn North strongly supports the amended version of SB39 because it strengthens Maryland's rate study process by ensuring independence, transparency, and meaningful provider participation. It improves the process. It does not mandate automatic rate increases. It ensures that rate-setting is clear, data-informed, and grounded in operational reality.

At Penn North, we serve approximately 60 individuals each year through Outpatient Mental Health Center services. We are experiencing real operational strain. Currently, our biggest challenge is the lack of available staff to support the workforce we need to serve the community. We have been unable to fill positions due to the workforce shortage in our area and we haven't even been able to find suitable candidates outside our area. Additionally, the cost associated with providing these services has increased due to dramatic regulatory changes in the areas of board certified supervisors, the requirement to have a medical doctor psychiatrist on staff, and the need to hire compliance staff to work with accreditation and regulatory agencies. We currently have vacancies for LCSW-C, LCPC, and Psychiatrist.

Current reimbursement does not reflect the full cost of delivering care. We have absorbed increased costs related to supervision, compliance, documentation, and reporting. These requirements are necessary, but they depend on staffing and infrastructure that are not accounted for in the current rates.

Providers delivering care every day should have a formal role in informing how rates are studied and developed. The amended version of SB39 ensures that providers have a seat at the table so that the methodology reflects the actual cost of delivering services in Maryland communities.

For these reasons, I respectfully request a favorable report on the amended version of SB39.

Sincerely,



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