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House Health Committee

House Bill 632: Certificate of Need - Psychiatric Health Care Facilities and Psychiatric and Mental Health Services - Exemption

February 18, 2026

Position: Oppose

Disability Rights Maryland (DRM) is the protection and advocacy organization for the state of Maryland; the mission of the organization, part of a national network of similar agencies, is to advocate for the legal rights of people with disabilities throughout the state. In the context of mental health disabilities, we advocate for Marylanders' rights to be free from abuse, neglect and rights violations and for access to person-centered, culturally responsive, trauma-informed care in the least restrictive environment. We appreciate the opportunity to provide testimony on HB632, which would eliminate the certificate of need process for entities seeking to establish or operate psychiatric health care facilities pursuant to Health-General § 19-122.1. DRM opposes HB632 because the certificate of need process is essential to ensuring that psychiatric facilities operating in Maryland provide equitable, high-quality care and that segregated settings are not built at the expense of integrated community-based services.

The certificate of need process ensures that newly proposed health care services and facilities are needed and, when the need has been determined, that the services are provided in a cost-effective and high-quality manner that is both geographically and financially accessible. Special attention is paid to underserved communities, including rural areas, which too often lack access to intensive community-based mental health resources. HB632 would exempt psychiatric care facilities from this process. DRM opposes efforts to weaken protections, including the certificate of need process, which are in place to improve the health care system.

While it is true that additional behavioral health care options, particularly intensive community-based options, are desperately needed, the existing certificate of need process is neither onerous nor time consuming. Permission for these facilities to operate in Maryland should not come at the expense of careful vetting to protect residents against abuse, neglect, and rights violations. The certificate of need process includes several important considerations that protect Marylanders. For example, applicants are evaluated to determine if they are in compliance with regulatory standards, to identify any records of prior violations, and to assess any potential impact the proposed facility will have on health equity. There is no evidence that the certificate of need process deters serious and capable mental health providers. Even if this were true, it is difficult to see why Maryland would not want to ensure that providers were capable of providing the services proposed, while protecting future patients from the possibility of abuse, neglect, and low-quality care.

The certificate of need process also serves another important need in Maryland: it provides the public with advance notice about applications to open new psychiatric facilities, allowing investigation into the history, capacity, and expertise of applicants. For example, across the country, for-profit corporations that operate residential treatment centers have come under scrutiny for their abusive and unscrupulous actions, including several companies that have operated facilities in Maryland. Allowing such companies to open facilities in Maryland without undergoing public scrutiny as required by the certificate of need process would deny monitoring agencies and the public the ability to adequately vet such corporations and, when necessary, raise objections to their opening in Maryland.¹ Because the individuals receiving care in such facilities are often particularly vulnerable and less able to advocate for themselves, it is necessary to ensure that the facility is truly needed in the identified community and that the facility has the requisite capacity, staff, and expertise to competently care for children and/or adults in need of their care.

Finally, DRM opposes HB632 because it seeks to create separate processes for behavioral and somatic health care. DRM supports policies that advance parity in access to mental health care. The certificate of need process should continue to apply to psychiatric facilities and services, just as it does for medical and surgical facilities and services.

DRM urges the committee to issue an unfavorable report on HB632 due to the high risk of harm associated with eliminating certificates of need for psychiatric facilities.

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¹ See National Disability Rights Network, *Desperation Without Dignity: Conditions of Children Placed in For Profit Residential Facilities* (Oct. 14, 2021), <https://www.ndrn.org/resource/desperation-without-dignity/>.