

Maryland's Office of Overdose Response

Wes Moore, Governor · Aruna Miller, Lt. Governor · Emily Keller, Special Secretary of Overdose Response

March 10, 2026

The Honorable Heather Bagnall
Chair, House Health Committee
240 Taylor House Office Building
Annapolis, MD 21401

Re: HB1162 Correctional Services – Medication–Assisted Treatment Funding

Dear Chair Bagnall and members of the House Health Committee,

Maryland's Office of Overdose Response (MOOR) submits this letter of support with amendments for House Bill (HB) 1162 – Correctional Services – Medication–Assisted Treatment Funding. HB 1162 requires MOOR to provide funding to counties for medication-assisted treatment programs via Maryland's Opioid Restitution Fund (ORF) and requires counties to submit certain reporting on their use of funds.

This bill does not account for the complexities or limitations of the ORF. The ORF is a complex funding source with specific requirements outlined in the national settlements, requiring a high level of scrutiny and oversight to receive funding. As such, requiring the ORF to fund these services may have the unintended consequence of increasing administrative burden for counties and local correctional facilities. MOOR opposes the use of ORF as outlined in HB 1162.

As written, HB 1162 requires counties to demonstrate an attempt to obtain at least one grant from either the Maryland Department of Health (MDH) or the Governor's Office of Crime Prevention and Policy (GOCPP) for the fiscal year in which the county is requesting reimbursement. If a county is not funded by grant opportunities through MDH or GOCPP and demonstrates applying for only one, the entire cost of the county's local detention center's medication-assisted treatment program must be paid for by the ORF, making the ORF the fall-back funding source for this purpose. MDH and GOCPP currently provide ample funding via various grant opportunities to counties for local detention centers to implement medication-assisted treatment programs in local detention centers; however, these grants are entirely discretionary on behalf of MDH and GOCPP and are competitive, and HB1162 contains no language to specify quality or content of the one required grant application on behalf of the jails, thus risking the ORF becoming the de facto mandated funding source for this purpose.

HB 1162 also requires MOOR to reimburse all "costs incurred by a county for the implementation" of a medication-assisted treatment program. This language risks creating an uncapped mandate for the state to cover these expenses via the ORF. Additionally, HB 1162 authorizes MOOR to withhold up to 20% of awarded funds if a county does not submit required reporting on time. ORF funds can only be used for

allowable uses described in [Exhibit E](#).¹ MOOR cannot verify that funds are only being spent on allowable uses without proper reporting, which would make it impossible to award any amount of funding without full and proper reporting by the reporting due date. Additionally, requiring ORF to fund costs not covered through MDH or GOCPP grants does not take into consideration that the ORF can only be used for allowable uses described in Exhibit E. Each of the costs unaccounted for through grants provided by MDH and/or GOCPP would need to be reviewed on a case-by-case basis and subject to legal review to ensure that they align with the allowable uses outlined in the opioid settlements. Because of this, the ORF should not be included as a guaranteed funding source.

Under the State Subdivision Agreement, local governments receive 70% of opioid litigation funds awarded to Maryland through settlements secured by the Office of the Attorney General (OAG). The state retains the other 30%, half of which is in the State Discretionary Abatement Fund and the other half in the State Allocation. The State Discretionary Abatement Fund must be made available in grants for which non-litigating subdivisions must be able to apply. Funding for this bill would come from the State Allocation, meaning that the 15% of funds intended to be used at the discretion of the state and in accordance with recommendations of the Opioid Restitution Fund Advisory Council risk being depleted by 2030 and diverted away from other strategic initiatives.

Over the last several years, the state has made significant investments in these programs, including grant funding and technical assistance opportunities. In fiscal year 2026, Maryland provided nearly \$20,000,000 in funding from grant programs through MDH, MOOR, and GOCPP to counties and local correctional facilities for implementation of medication-assisted treatment programs. According to the Department of Legislative Services Fiscal and Policy Note for HB 1084 of 2025, the Maryland Association of Counties (MACo) advised that the statewide cost for medication-assisted treatment programs in local correctional facilities totals approximately \$11.4 million annually. Utilizing ORF for this purpose when other funding sources are available may be construed as supplanting funding, which is prohibited under the Annotated Code of Maryland State Finance and Procurement Article §7-331.

Given the amount of money Maryland dedicates to funding medication-assisted treatment in local correctional facilities each year and the 70% of opioid settlement dollars secured by OAG already distributed to local jurisdictions, MOOR believes funding availability is not the primary issue regarding implementation of HB116 of 2019, which requires local correctional facilities to offer treatment with medications for opioid use disorder. Rather, MOOR believes that there are significant process and coordination issues for this funding.

MOOR suggests amending HB 1162 to eliminate all mentions of the ORF, including the requirement for the ORF to cover total costs incurred by counties to implement medication-assisted treatment programs. MOOR suggests eliminating the section of HB 1162 that limits MOOR's ability to withhold reimbursement for counties if timely and full reporting is not provided. Instead, MOOR recommends amending HB 1162 to require MDH, MOOR, GOCPP, MACo, and the Maryland Correctional Administrators Association (MCAA) to convene a workgroup to address the fundamental concerns around process and coordination for medication-assisted treatment funding available from the state. MOOR is prepared to staff the workgroup with existing resources. The workgroup would be required to submit a report to the Maryland General Assembly addressing several topics identified through

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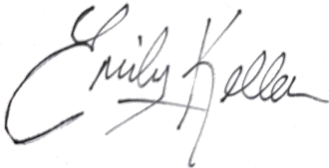
<https://stopoverdose.maryland.gov/wp-content/uploads/sites/34/2023/05/Janssen-National-Agreement-Exhibit-E.pdf>

conversations with state and local partners. These topics include but are not limited to: creation of an effective grant structure to reduce administrative burden on behalf of the counties and local correctional facilities, improvement of funding coordination across state agencies such that the total amount of funding provided better reflects the actual need of each local correctional facility to implement the core requirements of HB 116 of 2019, development of a standard model of implementation of medication-assisted treatment programs such that there is a clear and consistent framework for which goods and services facilities are allowed to request reimbursement.

For these reasons, MOOR respectfully urges a favorable report on HB 1162 with the proposed amendments to ensure Maryland's local detention centers can meet the standard of care for individuals with opioid use disorder in a fiscally responsible and sustainable manner.

If you would like to discuss this further, please do not hesitate to contact Benjamin Fraifeld, Associate Director for Policy & Advocacy at MOOR, 443-346-3013.

Sincerely,



Emily Keller
Special Secretary of Overdose Response

AMENDMENT NO. 1

On page 5, in line 4 and in line 6, in each instance, strike the bracket.

AMENDMENT NO. 2

On page 5, strike lines 7 through page 6 line 16.

AMENDMENT NO. 3

On page 5 line 7, add "(I) (1) Maryland's Office of Overdose Response shall convene a workgroup to study implementation of opioid use disorder screening and treatment in local correctional facilities throughout the state."

On page 5, line 8, add "(2) The workgroup shall include at least:

On page 5, line 9, add "(i) One member of Maryland's Office of Overdose Response

On page 5, line 10, add "(ii) One member of the Maryland Department of Health's Behavioral Health Administration"

On page 5, line 11, add "(iii) One member of the Governor's Office of Crime Prevention and Policy"

On page 5, line 12, add "(iv) One member of the Maryland Association of Counties

On page 5, line 13, add "(v) One member of the Maryland Correctional Administrators Association"

On page 5, line 14, add "(vi) Other subject matter experts as deemed necessary by the workgroup"

On page 5, line 15, add "(3) The workgroup shall:"

On page 5, line 16, add "(i) recommend an equitable and sustainable grant structure"

On page 5, line 17, add "(ii) develop a standard model of implementation of medication-assisted treatment programs

On page 5, line 18, add "(iii) establish guidance on relative funding levels

On page 5, line 19, add "On or before July 1, 2027, Maryland's Office of Overdose Response shall submit a report on the findings and recommendations of the workgroup, including the need for any statutory changes, to the Governor and, in accordance with § 2-1257 of the State Government Article, the Senate Finance Committee, and the House Health Committee."

AMENDMENT NO. 4

On page 6, in line 17, remove the brackets and strike "(L)".

AMENDMENT NO. 5

On page 9, in line 24, remove the brackets, and strike lines 26 "; and" through line 29.