

**HB0772/243223/1**

BY: Health Committee

AMENDMENTS TO HOUSE BILL 772

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “**and McCaskill**” and substitute “**McCaskill, Alston, Hill, Kaufman, Lopez, Martinez, Rosenberg, Ross, Taveras, White Holland, and Woorman**”; in line 2, strike “**Workgroup on**”; in line 3, before “**Establishment**” insert “**Workgroup**”; in the same line, after “**Establishment**” insert “**and Study**”; in line 4, after “of” insert “requiring the Maryland Department of Health, rather than the Behavioral Health Administration and the Medical Care Programs Administration, to conduct a certain rate-setting study; requiring the Department to review and implement certain recommendations and administer certain tools and oversee certain submissions required to support a certain study; requiring the Maryland Health Care Commission to assist the Department with the facilitation of a certain study; altering the date by which the rate-setting study is to be completed; requiring the Secretary of Health, or the Secretary’s designee, to designate a representative of the Administration to be a certain technical liaison; authorizing the Commission, rather than the Department, to require community providers to submit certain information for the completion of a certain report; altering certain requirements related to the submission of a certain interim report and when certain annual reports must be submitted;”; in line 5, strike “Maryland Health Care”; in line 6, strike “and” and substitute a comma; in line 7, after “centers” insert “, and independent outpatient providers”; and after line 8, insert:

“BY repealing and reenacting, with amendments,  
Article - Health - General  
Section 16-201.3(e) and (h)  
Annotated Code of Maryland  
(2023 Replacement Volume and 2025 Supplement)”.

AMENDMENT NO. 2

On page 1, in line 10, after “That” insert “the Laws of Maryland read as follows:”

Article – Health – General

16–201.3.

(e) (1) IN THIS SUBSECTION, “COMMISSION” MEANS THE MARYLAND HEALTH CARE COMMISSION.

[(1) (2) [The Behavioral Health Administration and the Medical Care Programs Administration jointly] ON OR BEFORE JUNE 30, 2028, THE DEPARTMENT shall:

(i) Conduct an independent cost–driven, rate–setting study to set community provider rates for community–based behavioral health services that includes a rate analysis and an impact study that considers the actual cost of providing community–based behavioral health services;

[(ii) Develop and implement a payment system incorporating the findings of the rate–setting study conducted under item (i) of this paragraph, including projected costs of implementation and recommendations to address any potential shortfall in funding; and]

(II) REVIEW AND IMPLEMENT THE RECOMMENDATIONS OF THE WORKGROUP ON BEHAVIORAL HEALTH RATE METHODOLOGY MODERNIZATION ESTABLISHED BY CHAPTER \_\_\_\_ (H.B. 772) OF THE ACTS OF THE GENERAL ASSEMBLY OF 2026; AND

(III) ADMINISTER COST–REPORTING TOOLS AND OVERSEE COST–REPORT SUBMISSIONS REQUIRED TO SUPPORT THE STUDY REQUIRED UNDER ITEM (I) OF THIS PARAGRAPH.

(3) THE COMMISSION SHALL ASSIST THE DEPARTMENT WITH THE FACILITATION OF THE RATE–SETTING STUDY REQUIRED UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION, INCLUDING BY:

~~[(iii)] (I) [Consult] CONSULTING with stakeholders, including community providers and individuals receiving services[, in conducting the rate-setting study and developing the payment system required by this paragraph]; AND~~

~~(II) PROVIDING ANALYTICAL SUPPORT AND TECHNICAL ASSISTANCE.~~

**(4) THE BEHAVIORAL HEALTH ADMINISTRATION AND THE MEDICAL CARE PROGRAMS ADMINISTRATION JOINTLY SHALL:**

**(I) DEVELOP AND IMPLEMENT A PAYMENT SYSTEM INCORPORATING THE FINDINGS OF THE RATE-SETTING STUDY CONDUCTED UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION; AND**

**(II) CONSULT WITH STAKEHOLDERS, INCLUDING COMMUNITY PROVIDERS AND INDIVIDUALS RECEIVING SERVICES, IN DEVELOPING THE PAYMENT SYSTEM REQUIRED UNDER ITEM (I) OF THIS PARAGRAPH.**

~~[(2) The Administration, on or before September 30, 2019, shall complete the study required under paragraph (1)(i) of this subsection.]~~

~~[(3)] (5) The Administration shall adopt regulations to implement the payment system required by paragraph [(1)] (4)(I) of this subsection.~~

**(6) (I) THE SECRETARY, OR THE SECRETARY'S DESIGNEE, SHALL DESIGNATE A REPRESENTATIVE OF THE ADMINISTRATION TO SERVE AS A TECHNICAL LIAISON BETWEEN THE DEPARTMENT AND THE COMMISSION.**

**(II) THE TECHNICAL LIAISON SHALL:**

**1. PROVIDE TECHNICAL INPUT FOR THE COMPLETION OF THE STUDY REQUIRED UNDER PARAGRAPH (2)(I) OF THIS**

(Over)

SUBSECTION REGARDING MEDICAID POLICY, BEHAVIORAL HEALTH REIMBURSEMENT STRUCTURES, AND EXISTING DATA SOURCES;

2. ENSURE CONTINUITY BETWEEN THE DEPARTMENT'S WORK REGARDING THE COMPLETION OF THE STUDY REQUIRED UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION AND THE COMMISSION'S FACILITATION OF THE WORKGROUP ON BEHAVIORAL HEALTH RATE METHODOLOGY MODERNIZATION ESTABLISHED UNDER CHAPTER (H.B. 772) OF THE ACTS OF THE GENERAL ASSEMBLY OF 2026; AND

3. COORDINATE THE COMMISSION'S ACCESS TO EXISTING ANALYTICAL WORK OR STUDY PREPARATION THAT HAS BEEN COMPLETED BY THE DEPARTMENT IN COMPLYING WITH PARAGRAPH (2) OF THIS SUBSECTION.

(h) (1) On or before [December] JANUARY 1, [2018] 2028, the [Department] COMMISSION shall submit an interim report to the Governor and, in accordance with § 2-1257 of the State Government Article, the General Assembly on [the]:

(I) THE delivery system through which community-based behavioral health services should be provided;

(II) THE STATUS OF THE IMPLEMENTATION OF THE RECOMMENDATIONS OF THE WORKGROUP ON BEHAVIORAL HEALTH RATE METHODOLOGY MODERNIZATION ESTABLISHED UNDER CHAPTER (H.B. 772) OF THE ACTS OF THE GENERAL ASSEMBLY OF 2026; and [any]

(III) ANY preliminary recommendations regarding the payment system required under this section.

(2) On or before December 1, [2019] 2028, and on or before December 1 each year thereafter, the [Department] COMMISSION shall submit a report to the

Governor and, in accordance with § 2–1257 of the State Government Article, the General Assembly on the impact of the rate adjustments and the payment system required under this section on community providers, including the impact on:

(i) The wages and salaries paid and the benefits provided to direct care staff and licensed clinicians employed by community providers;

(ii) The tenure and turnover of direct care staff and licensed clinicians employed by community providers; and

(iii) The ability of community providers to recruit qualified direct care staff and licensed clinicians.

(3) The [Department] COMMISSION may require a community provider to submit, in the form and manner required by the [Department] COMMISSION, information that the [Department] COMMISSION considers necessary for completion of the report required under paragraph (2) of this subsection.

SECTION 2. AND BE IT FURTHER ENACTED, That”;

in line 14, strike “and” and substitute a comma; and in line 15, after “centers” insert “, and independent outpatient providers””.

On page 2, in line 3, strike “one” and substitute “the”; strike beginning with “, appointed” in line 3 down through “Health” in line 4 and substitute “designated as technical liaison under § 16–201.3(e)(6) of the Health – General Article, as enacted by Section 1 of this Act”; in line 10, strike “and” and substitute:

“(7) one representative of the Licensed Clinical Professional Counselors of Maryland, designated by the President of the Association; and”;

and in line 11, strike “(7)” and substitute “(8)”.

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On page 3, in line 8, after “and” insert “clinical”; in line 9, strike “employment”; in line 10, strike the second “and”; in line 12, strike “and”; after line 12, insert:

“(vi) differentiation of costs between nonprofit and for-profit organizations;

(vii) ratio of services delivered by telehealth; and

(viii) size and volume of group-based services;

(3) approve methodologies for analyzing outpatient costs and the Maryland Department of Health’s completion of the study required under § 16–201.3(e)(2)(i) of the Health – General Article, as enacted by Section 1 of this Act, that include:

(i) cost reporting structures;

(ii) sampling methodologies that exclude all programs founded after 2020;

(iii) allocation of overhead and administrative costs;

(iv) differentiation of the treatment of revenues of providers that are from Medicaid and sources other than Medicaid; and

(v) modeling approaches used to estimate sustainable reimbursement rates;”;

in lines 13, 17, 19, and 21, strike “(3)”, “(5)”, “(6)”, and “(7)”, respectively, and substitute “(4)”, “(6)”, “(7)”, and “(8)”, respectively; in line 15, strike “(4)” and substitute “(5) (i) subject to item (ii) of this item,”; in line 16, strike “both”; in the same line, strike “and”

and substitute a comma; in the same line, after “centers” insert “, and independent outpatient providers that include:

1. re-evaluating and rebasing reimbursement rates under the Certified Community Behavioral Health Clinic Payment Model in demonstration year two and every 3 years thereafter;

2. assumptions, cost-model components, and inflationary adjustments; and

3. integration of data and analyses produced under the cost-driven rate-setting study required under § 16-201.3(e)(2)(i) of the Health – General Article, as enacted by Section 1 of this Act, to the extent the data and analyses are available; and

(ii) build on all previously completed and ongoing cost-reporting and analytical work related to setting community provider rates for community-based behavioral health services in developing methodologies under item (i) of this item, including, to the extent available:

1. the independent cost-driven analysis required under § 16-201.3(e)(2)(i) of the Health – General Article, as enacted by Section 1 of this Act;

2. the certified community behavioral health clinic cost and rate study required by the 2025 Joint Chairmen’s Report; and

3. cost reporting tools and submission review processes required under § 16-201.3(e)(2)(iii) of the Health – General Article, as enacted by Section 1 of this Act”;

in line 18, after “Limit” insert “and provide recommendations on strategies to implement the recommended methodologies while remaining compliant with federal

requirements"; in line 23, strike "(g)" and substitute "(h)"; in the same line, strike "December 1, 2026" and substitute "June 1, 2027"; and in line 26, strike "October" and substitute "December".

On page 4, in line 4, strike "(h)" and substitute "(i)"; in line 9, strike "2." and substitute "3."; in line 10, strike "It" and substitute "Section 2 of this Act"; and in line 11, before "this" insert "Section 2 of".