



Behavioral Health System Baltimore
CROSSOVER REPORT
2026 Maryland Legislative Session

The 2026 Maryland legislative session is more than halfway over and is set to end on April 13. Monday March 23 was the 'crossover deadline' where most bills need to have passed their chamber of origin to ensure eventual enactment. This report summarizes where things stand.

MARYLAND'S FY27 BUDGET

Maryland's FY27 budget faced a \$1.4 billion projected shortfall. There was considerable pressure to avoid new taxes or fees and to balance the budget through spending reductions and fund transfers. Thanks to persistent advocacy and support from our champions in the General Assembly, the public behavioral health system is poised to maintain level funding for behavioral health services in the FY27 budget.

Public behavioral health system reimbursement rates and other spending

The Governor proposed maintaining Medicaid rates and grant amounts at FY26 levels. Advocates pushed for a modest 3% rate increase to allow programs to keep up with inflation, but the General Assembly did not adopt this proposal. This would be the second year in a row without an increase.

School Mental Health Services

The Consortium on Coordinated Community Supports provides funding to support school behavioral health services serving 167,000 students, including over 30,000 in Baltimore City. The Governor's budget proposed cutting funding by \$20 million, a 20% reduction from current levels. BHSB worked with our partners and the General Assembly to restore the funding in their budget bills.

Certified Community Behavioral Health Clinics

Certified Community Behavioral Health Clinics (CCBHCs) are comprehensive behavioral health programs that enhance quality and access through a more robust array of required services and supports. The Governor's FY27 budget proposed delaying an anticipated demonstration to continue and expand CCBHCs in Maryland. BHSB worked with our partners to reverse this change. The state now appears to be moving forward with [applying for the demonstration opportunity](#) this year.

988 Trust Fund

BHSB and our partners worked hard to advocate for the establishment of a dedicated 988 telecom fee as a permanent revenue source for Maryland's 988 helplines. This is being implemented and over \$25 million is available to support 988 call centers in FY26. The telecom is not generating the revenue that was initially anticipated, however, so in FY27 and future years closer to \$20 million may be available under current policy.



LEGISLATION THAT ADVANCE BHSB'S POLICY PRIORITIES

Promote high quality behavioral health services and provider accountability within the public behavioral health system

HB448/SB878: *Health Facilities - Certified Recovery Residences - Unannounced Inspections*

BHSB supports. Neither bill moved forward.

These bills would have required two unannounced inspections each year of certified recovery residences as a quality assurance initiative. The committees wanted to learn more about the issue prior to making policy changes and are seeking additional information from the Maryland Department of Health (MDH). BHSB will continue to work with the General Assembly and the MDH to strengthen quality assurance policies for recovery residences.

SB876: *Recovery Residences - Certification - Requirement*

BHSB supports. The bill moved out of the Senate with minor amendments.

This bill will require programs that are recovery residences to become certified by June 1, 2027. MDH certification is currently optional. Requiring certification will establish a high standard of care for recovery residence quality and allow MDH to have oversight authority for these programs.

HB1249: *Certified Recovery Residences - Refusing Services to Individuals Receiving Medication-Assisted Treatment - Prohibition*

BHSB supports. The bill moved out of the House.

Medication-assisted treatment, also known as medication for opioid use disorder (MOUD), is the gold standard for opioid use disorder (OUD) treatment. Various communities retain significant stigma around MOUD, and state policy must ensure this stigma does not limit access to MOUD. This bill will require certified recovery residences to accept residents using MOUD and help prevent discrimination against MOUD in these settings.

Ensure Marylanders continue to have access to the full range of behavioral health services through Maryland's Medicaid program

HB808/SB490: *Maryland Medical Assistance Program - Step Therapy, Fail-First Protocols, and Prior Authorization - Prescription Drugs to Treat Serious Mental Illness*

BHSB supports. Neither bill moved forward.

These bills would prohibit Medicaid from requiring step therapy, fail-first protocols, or prior authorization for certain medications used to treat serious mental illnesses. These policies allow Medicaid to provide preferential status to certain medications, but



they also can be a barrier to patients obtaining the medications that work best for them. This is especially problematic for individuals with serious mental illness because the effectiveness of a given medication varies greatly from one person to the next. These bills did not move forward due to cost concerns from MDH.

HB746/SB428: *Maryland Medical Assistance Program and Health Insurance - Collaborative Care Model - Cost Sharing Prohibition*

BHSB supports. Both bills moved forward. The House bill was significantly amended.

These bills aimed to eliminate cost sharing for collaborative care model services to increase utilization of this important and cost-effective model. The House bill was amended to instead require consistent coverage of collaborative care services in the private market and to study the implications of eliminating cost sharing. The Senate has indicated they will adopt the amendments made in the House.

SB987: *Corporate Income Tax - Addition Modification - Direct-to-Consumer Pharmaceutical Advertising*

BHSB supports. The bill did not move forward.

This bill was designed to generate several million dollars in new revenue to support Medicaid enrollment initiatives by closing a tax break for pharmaceutical advertising to consumers. This targeted revenue measure would have helped strengthen Maryland Medicaid's efforts to mitigate the coverage losses that are expected due to [H.R. 1, the One Big Beautiful Bill Act](#). The bill did not move forward, but other funding has been allocated to support Medicaid enrollment efforts to keep eligible Marylanders covered.

Strengthen and expand the behavioral health workforce to ensure timely access to high-quality behavioral health care

HB340/SB238: *School Psychologist Interstate Licensure Compact*

BHSB supports. Both bills moved forward.

These bills will enter Maryland into an interstate compact for school psychologists residing elsewhere to provide services in Maryland. This will help address the shortage of licensed school psychologists and help more school children get behavioral health assessments and supports.

HB769/SB18: *State Board of Social Work Examiners - Conditional License to Practice Social Work - Revisions*

BHSB supports. Both bills moved forward with significant amendments.

As amended, these bills will allow social work graduates who have not passed the social work licensure exam to obtain a conditional license to start working. The conditional



license is valid for up to 24 months at which time the social worker will need to have passed the exam to obtain a full license. The hope is that the conditional license and work experience will help more social workers pass the exam and address racial disparities in exam passage and licensure.

HB772: Behavioral Health Rate Methodology Modernization - Workgroup Establishment and Study

BHSB supports. The bill moved out of the House with minor amendments.

This bill directs the Maryland Health Care Commission to conduct a rate study on community behavioral health services and requires MDH to implement the findings of the study. It also establishes a workgroup on behavioral health rate modernization. These efforts will ensure behavioral health providers receive adequate funding to hire and retain the behavioral health workforce needed to support Maryland's needs.

Increase affordable housing options for those with behavioral health needs, including quality recovery housing and permanent supportive housing

BHSB continues to track federal housing opportunities and concerns, and work with partners to expand affordable housing options at the state level for those with behavioral health needs. For information on key housing bills in the Maryland General Assembly, read the [Health Care for the Homeless 2026 Session Update](#).

Implement policies to reduce law enforcement and criminal justice interaction for people with behavioral health needs

HB1014/SB707: Mental Health Law - Danger to the Life or Safety of the Individual or of Others - Definition (Right to Treatment)

BHSB opposes. The Senate bill moved forward with significant amendments.

These bills aim to expand the definition of danger to oneself or others that is used to evaluate petitions for emergency psychiatric evaluation (EPs). These evaluations are used to involuntarily commit someone to the hospital and often involve law enforcement. The Senate bill was amended to narrow the new dangerousness definition but still includes a new component regarding an inability to provide for one's basic needs due to psychiatric symptoms. The amended bill also includes reporting requirements to learn more about the nature and frequency of EP use in Maryland. The implementation of a new definition will need to be monitored closely if these bills are enacted, so reporting requirements are essential.



HB1060: *Primary and Secondary Schools - Petitions for Emergency Evaluation - Requirement for Tracking and Reporting and Study*

BHSB supports. The bill did not move forward.

This bill aimed to require reporting on the use of EPs in school settings. There was no opposition at the bill hearing, but the bill did not move forward. BHSB will continue to monitor opportunities for increased transparency regarding the use of EPs.

Maximize the impact of state and local opioid restitution funds by investing in overdose prevention strategies, connections to treatment, and recovery support services

HB222: *County Boards of Education - Opioid Overdose-Reversing Medications - Policy Requirements (Naloxone Access Act)*

BHSB supports. The bill moved out of the House with significant amendments.

This bill, as amended, directs public schools to develop policies that allow trained high school students to possess and administer naloxone in the event of an overdose. This measure will improve overdose prevention at schools without any safety concerns or costs.

HB551/SB327: *Criminal Law - Drug Paraphernalia and Controlled Paraphernalia Prohibitions - Repeal*

BHSB supports. Neither bill moved forward.

These bills intended to remove the prohibition on possession of drug paraphernalia, making it easier and more straightforward to participate in harm reduction programs such as syringe service programs (SSPs). Participants in SSP programs are supposed to be exempt from criminal prosecution for drug paraphernalia, but law enforcement does not always abide by this exemption. Increasing participation in SSPs would improve public health and increase engagement with people who use drugs. There appeared to be enough support to pass these bills, but neither chamber called for a committee vote.

HB838/SB562: *State Board of Pharmacy - Prescriber-Pharmacist Agreements - Treatment of Opioid Use Disorders*

BHSB supports. Both bills moved forward with minor amendments.

These bills will allow pharmacists to enter into collaborative agreements[LY6.1][DR6.2] with prescribers to manage medications for opioid use disorders (MOUD) for patients in the community. These types of agreements allow pharmacists to provide drug therapy to patients without needing specific documentation from the prescriber for every change—as is already allowed for other chronic illnesses and medications under current law. Expanding these agreements to MOUD will increase access and reduce the likelihood of relapse for patients taking MOUD.



HB1162: Correctional Services – Medication-Assisted Treatment Funding

BHSB monitored. The bill did not move forward.

This bill would have required the state to pay for the entire cost of medication-assisted treatment, also known as MOUD, in correctional settings using the opioid restitution fund (ORF). These services are incredibly important but there was concern about committing an open-ended amount of ORF funding to this initiative, given that local counties usually pay for health services in local correctional facilities. The relevant stakeholders intend to continue working to ensure correctional facilities have sufficient funding and expertise to make MOUD available.

HB1386/SB906: Criminal Law - Distribution of Heroin or Fentanyl Causing Death or Serious Bodily Injury (Victoria, Scottie, Ashleigh, and Yader's Law)

BHSB opposed. Neither bill moved forward.

These bills intended to create a new enhanced penalty of up to an additional 20 years in prison for those found liable for distributing drugs that led to an overdose. Such harsh penalties would discourage reporting potentially reversible overdoses while failing to deter drug use or drug distribution. Neither bill was called for a vote in committee.

Other significant legislation

SB738: Maryland Medical Assistance Program and Health Insurance - Required Coverage - Mobile Crisis and Crisis Stabilization

BHSB supports. The bill did not move forward.

This bill would have mandated private insurance coverage for mobile crisis team services and behavioral health crisis stabilization center services. These services are essential components of the behavioral health crisis response system and are already covered by Medicaid. The bill did not receive a committee vote.

HB1118/SB891: Health, Health Insurance, and Health Occupations - Perinatal Behavioral Health Conditions

BHSB supports. Both bills moved forward with significant amendments.

These bills include several provisions to improve perinatal behavioral health services and supports including authorizing referrals for perinatal behavioral health treatment, requiring perinatal behavioral health screenings, and expanding required perinatal behavioral health training for health professionals.

HB1181: Family Law - Children in Out-of-Home Placement - Voluntary Placement Agreements

BHSB supports. The bill moved out of the House with minor amendments.

This bill makes several reforms to the voluntary placement agreement process that allows families to temporarily transfer custody for a child in need of intensive out-of-



home care for a serious behavioral health disorder. The current process is very costly and cumbersome, which delays care for the child and results in greater child welfare involvement. This bill streamlines the process and reduces the financial burden on families. It should result in better care for young Marylanders in need of out-of-home placement for behavioral health needs.

HB1485: Public Health - Crisis Response System - Resources for Family Members and Trauma-Informed Care Training (Tiarra's Law)

BHSB supports. The bill moved out of the House.

This bill will require health professionals and the chief medical examiner to provide families with basic information about the 988 helpline when they inform families of a behavioral health crisis involving another family member. Families have reported receiving little support when learning about their relative's overdose or suicide attempt. Health professionals should provide basic information on behavioral health resources during these meetings, especially 988.

HB1559: Children in Unlicensed Settings and Pediatric Hospital Overstay Patients – Placement

BHSB supports. The bill moved out of the House with minor amendments.

This bill implements numerous new processes designed to reduce pediatric hospital overstays. Several new oversight bodies are proposed with the goal of keeping children out of unlicensed settings while awaiting proper placement. The bill also directs the state to develop a plan for expanding mobile response and stabilization services (MRSS) statewide. The MRSS is a very effective crisis response intervention for children and families and can contribute significantly to the goal of preventing pediatric hospital overstays.