



Maryland
Hospital Association

March 3, 2025

To: The Honorable Cory McCray, Chair, **Senate Health & Human Services Subcommittee**

Re: Letter of Information - MDH Behavioral Health Administration Budget Hearing

Dear Chair McCray:

On behalf of the Maryland Hospital Association's (MHA) member hospitals and health systems, we appreciate the opportunity to provide information pertaining to the Department of Health Behavioral Health Administration (BHA).

Maryland hospitals continue to face challenges with children and youth staying in emergency departments and inpatient units beyond medical necessity. This means a medical professional has deemed the patient ready for discharge, but for a variety of reasons the patient is unable to transition either to another level of care like a residential treatment center or home (inclusive of a parent or guardian's home, foster home, or group home).

As of Feb. 14, there were approximately 59 children across Maryland who were stuck in hospitals, with nearly 29% of them in emergency departments.

- Approximately 73% of these youth are between the ages of 6 to 17
- Approximately 39% are involved with the Department of Human Services/local social services agencies (Either in the care and custody of DHS or have an open case)
- Approximately 63% are waiting to be placed in residential treatment centers, foster homes or group homes
- The average length of stay in an inpatient unit *after* being cleared for discharge is 40 days

Children and youth in foster care tend to face longer delays and can essentially end up living in the hospital. Hospitals are qualified to deliver care to meet the *acute* needs of children and youth. However, utilizing hospitals as a long-term placement option for days, weeks, months, and, in some extreme cases, a year or more, presents numerous challenges and concerns.

Children and youth who live in hospitals often experience instability, miss school, are isolated from friends and family, and have limited access to essential services. Their ability to go outside and participate in activities is also restricted. Additionally, they live in clinical environments with unfamiliar sounds and smells, lacking the comfort of a home-like setting. Especially in the emergency department, staying for a longer length of time can be challenging since bed space is often limited, and the medical staff caring for these children and youth are needed to treat life and death emergencies.

There is legislation this session, House Bill 962/Senate Bill 696 – Public Health - Pediatric Hospital Overstay Patients, which seeks to address this problem of youth boarding in hospitals by building in state behavioral health capacity. The bill allows the Governor, for fiscal year 2026, to include in the annual budget an appropriation sufficient to fill all positions authorized for a Regional Institute for Children and Adolescents in the State (RICAs). For fiscal year 2027 and each fiscal year thereafter, the bill requires the Governor to include in the annual budget bill an appropriation sufficient to fill all positions authorized for RICAs. The bill allows the Governor to use funds designated for the Adolescent Hospital Overstay Program.

Although there is a \$5 million fiscal note associated with this proposed legislation, there are several potential funding sources and expenditures that could off-set the costs and most importantly, keep Maryland children and youth from being sent out of state.

First, in the Operating Budget, there is a recommendation to decrease funding for the Interagency Hospital Overstay Initiative by \$1.9 million, which is within BHA’s budget. We urge the committee to advocate against cutting this program and any other funding that could be directed to support opening more RICA beds.

According to the [Maryland Health Care Commission](#), there are at least 17 licensed, but unstaffed RICAs in the state—these are state-run RTCs. Most of the youth who are stuck in hospitals are waiting for a placement in an RTC.

Due to the lack of in-state RTC capacity, the Department of Human Services often must pay to send children and youth out of state. In fiscal year 2023 (July 2022 - June 2023) the Department of Human Services spent \$3,308,341 (\$2,698,864 general funds; \$609,477 federal funds) to place children in out-of-state RTCs. In fiscal year 2024 (July 2023 - June 2024) the Department of Human Services spent \$4,816,758 (\$3,962,892 general funds; \$853,866 federal funds) to place children in out-of-state RTCs. In thinking about the cost to the state, the average per diem rate in fiscal year 2025 for out-of-state RTC and nursing care providers was \$1,128.56. The average cost for in-state RTC providers is \$672.30—there is a cost saving advantage to keep Maryland children and youth in Maryland.

The state needs to invest in behavioral health capacity for children and youth. Ultimately, an investment now will result in cost savings later.

We are happy to provide additional information to the Subcommittee and look forward to working with the Maryland Department of Health to address the myriad of issues impacting the continuum of services for children and youth in Maryland.

For more information, please contact:
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