



ACTION NEEDED: Remove the brackets in the BRFA (p. 128) eliminating MDH's obligation to apply for the CCBHC planning and demonstration grants

Restoring the original budget language will **save Maryland general funds** by leveraging **federal funds that are already awarded** instead of state general funds. The planning grant from SAMHSA, totaling \$926,053, is specifically designed to fund the feasibility study requested in the House Appropriations committee narrative (see reverse) - **without using state dollars**.

Key Points:

- The BRFA of 2025 removes the requirement for MDH to apply for federal planning and demonstration program application for CCBHCs.
- MDH has cited concerns about implementation costs, but the **planning grant funds the necessary analysis** without state financial risk and without an obligation to apply for a future CCBHC demonstration program.
- The already-awarded federal planning grant will fully fund all required components of the **cost study requested in the House Appropriations Committee narrative**, including:
 - **Implementation cost estimates and prospective payment methodologies** (NOFO Section I.3.2).
 - **Cost-benefit analysis of the CCBHC model, including emergency department and hospital utilization cost savings** (NOFO Section I.5).
 - **Data collection and analytic needs under the model** (NOFO Section I.5).
 - **Analysis of CCBHC implementation costs and savings in other states** (NOFO Section I.3).
 - **Assessment of the impact on Maryland's existing CCBHCs if the federal grants are not pursued** (NOFO Section I.6).
 - **Evaluation of future eligibility risks if Maryland declines the current planning grant** (NOFO Section I.6).
- **There is no need to allocate state general funds for this study—the federal grant covers it entirely.**

Restoring MDH's obligation to apply for these federal grants ensures Maryland can complete the requested cost study at no expense to the state. This preserves future funding opportunities, supports behavioral health access, and prevents unnecessary state spending.

Committee Narrative from March 19, 2025

Health and Social Services Subcommittee Decisions Hearing

Committee Narrative

M00Q01.10 Medical Care Provider Reimbursements

Adopt the following narrative:

Study on Cost Savings Associated with Certified Community Behavioral Health Clinics (CCBHC): Chapter 275 of 2023 requires the Maryland Department of Health (MDH) to apply for federal planning, demonstration, and implementation grants from the Substance Abuse and Mental Health Services Administration (SAMHSA) to expand CCBHCs in the State. The Budget and Reconciliation Financing Act (BRFA) of 2025 includes a provision that would eliminate this requirement. SAMHSA issued a CCBHC planning grant to MDH in fiscal 2025 totaling \$926,053, but MDH has estimated implementation costs to be unmanageable, given the State's economic outlook. The budget committees are interested in understanding the potential cost savings associated with investing in CCBHCs as well as the feasibility of leveraging federal funding for this purpose in the future. The committees request that MDH, in partnership with the Hilltop Institute, submit a report including the following information:

- anticipated implementation costs to participate in the demonstration program and a description of the methodology used to estimate these costs;
- potential payment for services, including prospective payment methodologies;
- a cost benefit analysis of the CCBHC model that includes potential cost savings related to emergency department visits and potentially avoidable hospital utilization, as well as improved health outcomes for CCBHC participants;
- data collection and analytic needs under the model;
- CCBHC implementation costs and cost savings in other U.S. states;
- description of impact on funding, service delivery, and types of services provided by Maryland CCBHCs currently in operation, should the federal SAMHSA planning and demonstration grants not be pursued; and
- impact on eligibility to participate in the planning and demonstration grant program in the future, should the current SAMHSA award not be accepted.

Information Request	Author	Due Date
Study on cost savings associated with CCBHCs	Behavioral Health Administration	May 1, 2026