

**Senate Bill 367 – Maryland Medical Assistance Program –
Supportive Housing and Health Services**

Senate Finance Committee

February 4, 2025

LETTER OF INFORMATION

Mental Health Association of Maryland (MHAMD) is a nonprofit education and advocacy organization that brings together consumers, families, clinicians, advocates and concerned citizens for unified action in all aspects of mental health and substance use disorders (collectively referred to as behavioral health). We appreciate the opportunity to provide this letter of information regarding SB 367.

SB 367 would require the Department of Health to apply to the Centers for Medicare and Medicaid Services for a waiver to provide supportive housing and health services to eligible individuals, including those with a documented mental illness or substance use disorder, who are homeless and need intensive case management and assistance with obtaining and maintaining housing.

Homelessness negatively impacts a person's health, including their behavioral health, and people with significant behavioral health conditions comprise a significant proportion of the nation's homeless population. Between 20 and 33% of homeless people have serious mental illness, and approximately 67% of people experiencing chronic homelessness have a substance use disorder or other chronic health condition.¹

Providing supportive housing and health services to homeless individuals is both compassionate and cost-effective. A multi-state demonstration project that provided comprehensive housing, case management, mental health/addiction and primary care services to chronically homeless individuals found that emergency department usage dropped dramatically among those enrolled in the program,² and Oregon reported a 12% savings in Medicaid expenditures one year after moving 1,625 individuals into affordable housing with support services.³

MHAMD recognizes the need for and supports the establishment of a program like the one outlined in SB 367. However, we also recognize that Maryland is facing an historic budget crisis, the likes of which has not been seen in decades, and that difficult decisions will have to be made. It is important for the General Assembly to balance the establishment of new initiatives with the need to maintain funding for important existing programs that may lapse without legislative action, such as Maryland Behavioral Health Crisis Response Grant Program.

¹ Supportive housing and housing first. Mental Health America. <https://mhanational.org/issues/supportive-housing-and-housing-first>

² David Moore et al. Comprehensive Services Delivery and Emergency Department Use among Chronically homeless adults. Psychological Services. (May, 2017). <https://pmc.ncbi.nlm.nih.gov/articles/PMC5424614/pdf/nihms836696.pdf>

³ National Academy for State Health <https://nashp.org/how-states-use-federal-medicaid-authorities-to-finance-housing-related-services/>