



Minimum Wage and Behavioral Health

A Funding Mandate Secures Access to Treatment

In the last 23 years, Maryland has made nine inflation increases to reimbursement rates for publicly-funded behavioral health services, for a total of 19.9%. Over the same period of time, CPI inflation has cumulatively grown 61%.

In inflation-adjusted dollars, the purchasing power of community behavioral health providers has shrunk by 37% in the last two decades, while demand and need for treatment has increased.

Every year, costs rise. Behavioral health providers face rising rent, health premiums, equipment costs and staff salaries. Behavioral health providers also face unfunded mandates to purchase expensive electronic health records but, unlike most other sectors of healthcare, were excluded from federal incentive funds.

CBH’s minimum wage amendments seek a total 29% increase over five years based on data reported from our members about the costs of meeting the minimum wage mandate. Our members report that 25% of their workforce earns less than \$15/hour. Data from members indicates that the cost of a \$15 wage would increase costs by 16% over the five-year ramp-up. Assuming 2.5% annual inflation increases for non-personnel costs adds another 12.5% to provider costs. CBH’s proposed amendment to the minimum wage thus requires a 29% total rate increase over the five years of ramping up to the \$15 minimum wage to account for inflation and increased personnel costs.

Ensuring that behavioral health providers are included in the minimum wage will give providers resources to address the workforce crisis and to reduce wait times for accessing treatment.

Support access to addiction and mental health treatment in your community.

Support behavioral health reimbursement in the minimum wage bill.

	Inflation Adjustments to Rate
FY97	0%
FY98	0%
FY99	0%
FY00	0%
FY01	0%
FY02	0%
FY03	0%
FY04	0%
FY05	0%
FY06	0%
FY07	4%
FY08	2%
FY09	2%
FY10	0%
FY11	0%
FY12	0%
FY13	0.88%
FY14	2.54%
FY15	1%
FY16	0%
FY17	2%
FY18	2%
FY19	3.5%
FY20	3.5%
	7.0%
FY21	5.5%
FY22	5.5%
FY23	5.5%
FY24	5.5%

