

**University of Maryland Medical System
Fiscal Year 2027 Capital Budget**

**House Appropriations Committee
Capital Budget Subcommittee
Delegate Malcolm Ruff, Chair
February 16, 2026**

**Senate Budget and Taxation Committee
Capital Budget Subcommittee
Senator Craig Zucker, Chair
February 17, 2026**

The University of Maryland Medical System (UMMS) would like to thank the Governor, the Department of Budget and Management, the Appropriations and Budget and Taxation Committees, and the General Assembly for their ongoing support and collaboration. We would also like to thank the Department of Legislative Services (DLS), and in particular, DLS Analyst Naomi Komuro, for preparing the comprehensive analysis of UMMS' capital budget projects.

UMMS and the State have a unique and longstanding partnership that has transformed healthcare delivery in Maryland over the past 40 years. Today, UMMS provides primary, urgent, emergency and specialty care at 11 hospitals, 5 freestanding medical facilities, and more than 150 outpatient medical facilities across the State. The UMMS network includes academic, community and specialty hospitals that together provide 25% of all hospital-based care in Maryland. Our acute care and specialty hospitals are located in 13 counties and Baltimore City, and serve urban, suburban and rural communities. The State has supported and advanced this work through significant capital and operating investments, which continues in the FY2027 budget.

UMMS agrees with the recommended actions included in the FY27 capital analysis to “approve all general obligation bond authorizations for the University of Maryland Medical System.” The general obligation (GO) bond authorizations relate to three ongoing projects: (1) \$20 million in GO Bond funds for construction of the new 326,300 square foot hospital facility in Easton, (2) \$5 million in GO Bond funds for renovations and updates to several components of the R Adams Cowley Shock Trauma Center, and (3) \$5 million in GO Bond funds for the University of Maryland Marlene and Stewart Greenebaum Comprehensive Cancer Center, which backfills a fiscal 2025 deficiency appropriation of bond premium revenue that was diverted for other purposes.

1. UM Shore Medical Center Easton

The University of Maryland Shore Regional Health (UM SRH) deeply values its partnership with the State of Maryland, and appreciates the steadfast support of the Governor, the General Assembly, and the Department of Budget and Management in ensuring that residents of the Eastern Shore maintain access to high-quality health care services. The \$20 million in capital funding included in the FY2027 budget is essential to our ongoing work to transform health care on the Mid-Shore and to expand access to care for Maryland's rural communities.

This is a pivotal moment for rural health care. More than 200 rural hospitals have closed or converted to models that exclude inpatient care since 2010, and an additional 417 rural hospitals are vulnerable to closure. In collaboration with State regulators and our health care provider partners, the University of Maryland Medical System (UMMS) and UM SRH have worked diligently to strengthen health care delivery on Maryland's Mid-Shore and avoid similar outcomes. Through continued investment and partnership, we are making meaningful progress toward building a healthier, more resilient community that is responsive to the unique needs of our rural region.

The next phase of this vision is the development of the UM Shore Regional Medical Center. This transformative project will bring a state-of-the-art regional medical center to Maryland's Mid-Shore, located at 10000 Longwoods Road in Easton, and will replace the existing UM Shore Medical Center at Easton. The new facility will include 147 acute and observation beds and will provide the full complement of essential health care services. The project timeline anticipates building occupancy in the summer of 2028.

The UM Shore Regional Medical Center will serve as a national model for rural health care delivery, integrating the latest advancements in academic medicine with patient-centered care under one roof. Supported by the clinical expertise and resources of UMMS, the facility will feature innovative care models and modern infrastructure designed to meet the evolving needs of our community. This project represents a defining milestone for UM SRH and reaffirms our long-term commitment to advancing health care quality and access for the Eastern Shore. In addition to its clinical impact, the Regional Medical Center will deliver substantial economic and environmental benefits. Construction of the facility is expected to generate approximately 5,000 jobs while supporting the State's Minority and Women-Owned Business Enterprise (MWBE) goals. The project will also strengthen our ability to recruit critically needed primary and specialty care providers to the region. Further, the facility's geothermal design will enable net-zero direct greenhouse gas emissions, contributing to a cleaner and more sustainable environment.

The inclusion of an additional \$20 million in the FY2027 Capital Budget is critical to the successful completion of this project and to advancing our shared objectives of improving access to care on the Eastern Shore, addressing rural health equity, replacing outdated infrastructure, and supporting modern health care delivery. UM SRH has leveraged the State's capital investment to secure more than \$70 million toward our \$100 million private fundraising goal. These State and private funds will complement the significant investment being made by UMMS.

In December 2025, UM SRH filed a project change application with the Maryland Health Care Commission in recognition of cost increases now impacting the project. These projected cost increases are primarily the result of rising construction and material costs due to inflation, tariffs, and workforce shortages. While these market-driven pressures have increased total project costs, UMMS and UM SRH have identified multiple funding strategies to help close the gap. UM SRH remains fully committed to delivering the originally planned scope, programs, and clinical services proposed for the RMC. UMMS will update cost projections and sources & uses documents with the State once the MHCC takes formal action on the project change application later this month.

On behalf of the Eastern Shore communities we serve, thank you for your continued commitment to rural health care and for your support of this transformational project.

2. R Adams Cowley Shock Trauma Center Renovation – Phase III

The R Adams Cowley Shock Trauma Center (“Shock Trauma Center”) would like to express its gratitude to the General Assembly and the State for its continuing partnership and support of trauma care services in Maryland. The State investment in the Shock Trauma Center renovation – Phase III has been, and remains, essential to our work and ability to serve the trauma needs of Marylanders. **In FY2027, the State is providing a total of \$5 million in capital funds to support the ongoing renovations and upgrades to the Shock Trauma Center that will help us continue to modernize our facilities and equipment to meet the needs of critically injured and ill Marylanders.**

Background

The Shock Trauma Center is the State’s only freestanding trauma hospital. It serves as a vital statewide clinical resource and uniquely maintains an around-the-clock state of readiness in its dedicated trauma resuscitation unit (TRU), operating rooms (ORs), and recovery rooms. Over the past ten years, the Shock Trauma Center has diverted **zero** patients seeking access directly from the scene. The facility and its staff are organized for on-demand access and treatment of the State’s most critically ill and injured patients to a degree unparalleled anywhere in the system. The Maryland Institute for Emergency Medical Services Systems (MIEMSS), Primary Adult Resource Center (PARC) designation represents the State’s highest level of capability and readiness. As a result, the Shock Trauma Center has unique operating and financial requirements that distinguish it from any other Maryland trauma center and are the basis for State operating support.

The Shock Trauma Center is designed expressly for the emergency care of significantly injured patients from resuscitation to discharge. The Shock Trauma Center has 24-hour, 7-day a week coverage with designated trauma operating room nurses, trauma resuscitation nurses, trauma surgical technologists and trauma certified registered nurse anesthetists.

Project Scope

The R Adams Cowley Shock Trauma Center Renovation – Phase III project has significantly benefited the State and assisted us in advancing our mission to provide world class prevention and management of critical injury and illness to Maryland residents. The State’s capital funding for the Phase III project allows the Shock Trauma Center to expand and update its services and equipment. The TRU will be expanded and renovated with state-of-the-art advancements to support the lifesaving efforts for all patients. The expansion will allow us to continue to provide access to care when our patients are at their most vulnerable and need time sensitive care. In addition, the Hyperbaric Medicine unit is overdue for an upgrade and restoration of the chamber, which is assisted by the Phase III project, is imperative to our operations. Hyperbaric Medicine provides over 5,000 hours of ambulatory and critical care each year and is the State’s designated referral center. Patients that need urgent hyperbaric medicine treatment for dangerous carbon monoxide poisoning and soft tissue infection that can be life-threatening are treated in this unit. Finally, the expansion of the Trauma Acute Care unit from 10 to 16 beds will support substantial volume growth and enhance throughput and patient experience.

Project Update

The Shock Trauma Phase III project has already delivered substantial, high-value improvements to the Shock Trauma Center, strengthening both infrastructure resiliency and front-line clinical operations. As of January 2026, several components of the project have been completed, including major building infrastructure upgrades (air handling, emergency power, fire alarm, and medical gas systems), improved horizontal circulation, and the successful delivery and activation of the new Acute Care Transfusion Service facilities and relocated critical Blood Bank services adjacent to the Trauma Resuscitation Unit. These improvements directly support faster response times, safer patient care, and long-term operational reliability for Maryland’s highest-volume trauma center.

The overall Phase III program has taken longer than originally anticipated, due to nearly 3 years of disruptions from the COVID-19 pandemic, evolving clinical requirements informed by lessons learned from COVID (e.g., transitioning from multi-bed, open rooms to single bed, closed room concepts), and the need to complete complex enabling work before advancing major trauma expansions. As a result of these delays and post-pandemic market conditions, UMMS anticipates higher construction costs than initially projected. The Medical System is working now to quantify these cost increases which will be fully funded within UMMS’ capital program.

With critical enabling projects completed or actively underway, the remaining components of Shock Trauma Phase III are now positioned to move forward.

3. University of Maryland Marlene and Stewart Greenebaum Comprehensive Cancer Center (UMGCCC)

This project constructs a nine-story addition to the existing north hospital tower and renovates existing space to expand capacity and centralize cancer care at the Marlene and Stewart Greenebaum Comprehensive Cancer Center. Phase I of the project creates additional space on 6

of the new floors and renovates additional floors to increase capacity from 52 to 62 cancer care beds. Phase II of the project will redevelop space currently dedicated to cancer treatment to build appropriate facilities to care for patients with complex clinical needs. The project is scheduled to be completed by December 2026.

The FY2027 capital budget provides \$5 million in GO bond funds to the project. This appropriation will complete State funding for the project and backfills a fiscal 2025 deficiency appropriation of bond premium revenue that was diverted by the State for other purposes. UMGCCC and UMMS are grateful for the State's support for this critical project.

When the building opens later this year, the existing outstanding patient care will be matched to a state-of-the art facility. UMGCCC offers multi-disciplinary care – meaning multiple oncologists collaborate to develop treatment and care plans with patients – that provides the best possible outcomes for patients. Coupled with innovative research recognized by the National Cancer Institute (NCI), UMGCCC is able to offer patients many treatments they would not be able to get in their local communities.

As UMMS grows its cancer services across Maryland in areas served by UM Capital Region Health in Prince George's County, UM Shore Regional on the Mid-Shore, UM Upper Chesapeake Health in Harford County, and its hospitals in the greater Baltimore area, UMGCCC remains a referral center to care for cancer patients across the entire continuum of cancer care.

The University of Maryland Medical System appreciates the Subcommittee's consideration and respectfully requests your support for this backfill appropriation.

For more information, please contact:

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