

SENATE BILL 426

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1998 Regular Session
8r1573
CF 8r1574

By: **Senator Kasemeyer**

Introduced and read first time: February 6, 1998

Assigned to: Economic and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **Residential and Nonresidential Child Care Centers and Nonpublic General**
3 **Education Schools - Per Child Rate Settings**

4 FOR the purpose of requiring certain private residential and nonresidential child care
5 programs and certain nonpublic general education schools licensed or approved
6 by certain State agencies to establish per child rates per service, subject to the
7 State's allowable cost policy; requiring certain residential and nonresidential
8 child care programs and certain nonpublic general education schools to submit
9 per child rates per service to the Special Secretary for Children, Youth, and
10 Families by a certain date; requiring the Special Secretary to provide
11 appropriate forms and instructions for the submission of rates and changes in
12 rates; requiring the Special Secretary to publish the per child rates per service
13 by a certain date; requiring certain residential and nonresidential child care
14 programs and certain nonpublic general education schools to submit proposed
15 rate changes within a certain time frame before the rate changes take effect;
16 authorizing the Special Secretary to audit certain residential or nonresidential
17 child care programs; defining certain terms; and generally relating to the per
18 child rates per service set by certain residential or nonresidential child care
19 programs.

20 BY adding to
21 Article 49D - Office for Children, Youth, and Families
22 Section 39 to be under the new subtitle "Child Care Programs"
23 Annotated Code of Maryland
24 (1994 Replacement Volume and 1997 Supplement)

25 Preamble

26 WHEREAS, The current practice of rate setting by the Governor's Office for
27 Children, Youth, and Families for rates paid to providers of private residential child
28 care programs has not produced a system to encourage efficiency and the
29 development of additional resources through payments to those providers; and

30 WHEREAS, A process for setting rates for certain nonresidential programs and
31 services for children has not been established; and

1 WHEREAS, Certain historic providers in the system are subject to rates below
2 cost, while certain new providers are funded at full cost; and

3 WHEREAS, Rates paid for services purchased pursuant to this subtitle should
4 be determined by competition in the private marketplace; and

5 WHEREAS, A system which permits competition in the marketplace will help to
6 ensure high quality, cost-effective programs and services and will permit providers of
7 residential and nonresidential child care programs and nonpublic general education
8 schools to have the flexibility to respond quickly to the changing needs of purchasers;
9 and

10 WHEREAS, The Special Secretary for Children, Youth, and Families should
11 establish a process sufficiently flexible to ensure that providers can meet the needs of
12 children and families referred to the providers; now, therefore,

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
14 MARYLAND, That the Laws of Maryland read as follows:

15 **Article 49D - Office for Children, Youth, and Families**

16 **CHILD CARE PROGRAMS**

17 39.

18 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
19 INDICATED.

20 (2) "AGENCIES" MEANS THE DEPARTMENTS OF EDUCATION, HEALTH
21 AND MENTAL HYGIENE, HUMAN RESOURCES, AND JUVENILE JUSTICE.

22 (3) "NONPUBLIC GENERAL EDUCATION SCHOOL" MEANS A NONPUBLIC
23 SCHOOL APPROVED UNDER COMAR 13A 09.10.07 PURSUANT TO § 2-206 OF THE
24 EDUCATION ARTICLE AND OPERATED IN CONJUNCTION WITH RESIDENTIAL OR
25 NONRESIDENTIAL PROGRAMS LICENSED OR APPROVED BY THE DEPARTMENT OF
26 EDUCATION, THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE, THE
27 DEPARTMENT OF HUMAN RESOURCES, OR THE DEPARTMENT OF JUVENILE JUSTICE.

28 (4) "NONRESIDENTIAL CHILD CARE PROGRAM" MEANS A PROGRAM
29 THAT:

30 (I) PROVIDES SERVICES FOR CHILDREN IN A NONRESIDENTIAL
31 SETTING, DESIGNED TO ACHIEVE OBJECTIVES RELATED TO THE NEEDS OF THE
32 CHILDREN SERVED; AND

33 (II) IS LICENSED OR APPROVED BY THE DEPARTMENT OF HEALTH
34 AND MENTAL HYGIENE, THE DEPARTMENT OF HUMAN RESOURCES, OR THE
35 DEPARTMENT OF JUVENILE JUSTICE.

36 (5) "RESIDENTIAL CHILD CARE PROGRAM" MEANS A PROGRAM THAT:

1 (I) PROVIDES CARE FOR CHILDREN 24 HOURS A DAY WITHIN A
2 STRUCTURED SET OF SERVICES AND ACTIVITIES DESIGNED TO ACHIEVE
3 OBJECTIVES RELATED TO THE NEEDS OF THE CHILDREN SERVED; AND

4 (II) IS LICENSED BY THE DEPARTMENT OF HEALTH AND MENTAL
5 HYGIENE, THE DEPARTMENT OF HUMAN RESOURCES, OR THE DEPARTMENT OF
6 JUVENILE JUSTICE.

7 (6) "SERVICES" MEANS FOOD, CLOTHING, SHELTER, EDUCATION, SOCIAL
8 SERVICES, HEALTH CARE, MENTAL HEALTH CARE, AND RECREATION.

9 (B) PRIVATE RESIDENTIAL OR NONRESIDENTIAL CHILD CARE PROGRAMS AND
10 NONPUBLIC GENERAL EDUCATION SCHOOLS LICENSED OR APPROVED BY STATE
11 AGENCIES SHALL ESTABLISH A PER CHILD RATE PER SERVICE, SUBJECT TO THE
12 STATE'S ALLOWABLE COST POLICY, AND CHARGE ALL PURCHASERS THE SAME RATE.

13 (C) (1) RESIDENTIAL AND NONRESIDENTIAL CHILD CARE PROGRAMS AND
14 NONPUBLIC GENERAL EDUCATION SCHOOLS SHALL SUBMIT PER CHILD RATES PER
15 SERVICE TO THE SPECIAL SECRETARY FOR CHILDREN, YOUTH, AND FAMILIES NO
16 LATER THAN APRIL 1, 1999.

17 (2) THE SPECIAL SECRETARY SHALL PROVIDE APPROPRIATE FORMS
18 AND INSTRUCTIONS FOR THE SUBMISSION OF RATES UNDER THIS SUBSECTION.

19 (3) THE SPECIAL SECRETARY SHALL PUBLISH THE PER CHILD RATES
20 PER SERVICE NO LATER THAN JUNE 15 EACH YEAR.

21 (D) (1) AFTER APRIL 1 OF EACH YEAR, RESIDENTIAL AND NONRESIDENTIAL
22 CHILD CARE PROGRAMS AND NONPUBLIC GENERAL EDUCATION SCHOOLS SHALL
23 SUBMIT TO THE SPECIAL SECRETARY ANY CHANGES IN PER CHILD RATES PER
24 SERVICE.

25 (2) THE SPECIAL SECRETARY SHALL PROVIDE APPROPRIATE FORMS
26 AND INSTRUCTIONS FOR CHANGES IN RATES.

27 (3) RESIDENTIAL AND NONRESIDENTIAL CHILD CARE PROGRAMS AND
28 NONPUBLIC GENERAL EDUCATION SCHOOLS SHALL SUBMIT PROPOSED RATE
29 CHANGES NO LATER THAN 3 MONTHS BEFORE THE CHANGE IS SCHEDULED TO TAKE
30 EFFECT.

31 (E) THE SPECIAL SECRETARY MAY REQUIRE AN AUDIT OF ANY RESIDENTIAL
32 OR NONRESIDENTIAL CHILD CARE PROGRAM OR NONPUBLIC GENERAL EDUCATION
33 SCHOOL.

34 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
35 October 1, 1998.