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By: **Delegates Morhaim, Zirkin, Brown, Jones, Cardin, Nathan-Pulliam,  
Burns, Malone, DeBoy, Bromwell, Minnick, and Hammen**

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Assigned to: Health and Government Operations

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 8, 2006

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Procurement - Contracts for Residential Child Care Programs**

3 FOR the purpose of requiring the Governor's Office for Children to develop the State  
4 Resource Plan for Residential Child Care Programs in consultation with certain  
5 agencies, providers, ~~and~~ local jurisdictions, child advocates, and consumers;  
6 declaring the intent of the General Assembly; establishing the content of the  
7 Plan; requiring that the Plan be issued and updated on or before a certain date;  
8 requiring the Governor's Office for Children to issue a certain report on or before  
9 a certain date; establishing certain requirements for certain contracts between  
10 certain agencies and providers; requiring a single point of entry to provide  
11 certain sample contracts to potential providers; requiring the Governor's Office  
12 for Children to adopt certain regulations; defining certain terms; and generally  
13 relating to procurement for residential child care programs.

14 BY adding to

15 Article - State Finance and Procurement

16 Section 13-501 through 13-506, inclusive, to be under the new subtitle "Subtitle  
17 5. Contracts for Residential Child Care Programs"

18 Annotated Code of Maryland

19 (2001 Replacement Volume and 2005 Supplement)

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

1 **Article - State Finance and Procurement**

## 2 SUBTITLE 5. CONTRACTS FOR RESIDENTIAL CHILD CARE PROGRAMS.

3 13-501.

4 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS  
5 INDICATED.

6 (B) "AGENCIES" MEANS:

7 (1) THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE;

8 (2) THE DEPARTMENT OF HUMAN RESOURCES; AND

9 (3) THE DEPARTMENT OF JUVENILE SERVICES.

10 (C) "CERTIFIED PROGRAM ADMINISTRATOR" MEANS AN INDIVIDUAL WHO IS:

11 (1) CERTIFIED BY THE STATE BOARD FOR CERTIFICATION OF  
12 RESIDENTIAL CHILD CARE PROGRAM ADMINISTRATORS UNDER TITLE 20 OF THE  
13 HEALTH OCCUPATIONS ARTICLE; AND14 (2) RESPONSIBLE FOR THE DAY-TO-DAY MANAGEMENT AND  
15 OPERATION OF A RESIDENTIAL CHILD CARE PROGRAM.16 (D) "LOCAL JURISDICTION" MEANS ANY COUNTY IN THE STATE OR  
17 BALTIMORE CITY.18 (E) "PLAN" MEANS THE STATE RESOURCE PLAN FOR RESIDENTIAL CHILD  
19 CARE PROGRAMS.20 (F) "PROVIDER" MEANS A FOR PROFIT OR NOT FOR PROFIT ENTITY LICENSED  
21 BY AN AGENCY TO OPERATE A RESIDENTIAL CHILD CARE PROGRAM.22 (G) (1) "RESIDENTIAL CHILD CARE PROGRAM" MEANS AN ENTITY THAT  
23 PROVIDES 24-HOUR PER DAY CARE FOR CHILDREN WITHIN A STRUCTURED SET OF  
24 SERVICES AND ACTIVITIES THAT ARE DESIGNED TO ACHIEVE SPECIFIC OBJECTIVES  
25 RELATIVE TO THE NEEDS OF THE CHILDREN SERVED.

26 (2) "RESIDENTIAL CHILD CARE PROGRAM" INCLUDES A PROGRAM:

27 (I) LICENSED BY:

28 1. THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE;

29 2. THE DEPARTMENT OF HUMAN RESOURCES; OR

30 3. THE DEPARTMENT OF JUVENILE SERVICES; AND

1 (II) THAT IS SUBJECT TO THE LICENSING REGULATIONS OF THE  
2 GOVERNOR'S OFFICE FOR CHILDREN GOVERNING THE OPERATIONS OF RESIDENTIAL  
3 CHILD CARE PROGRAMS.

4 (3) "RESIDENTIAL CHILD CARE PROGRAM" DOES NOT INCLUDE  
5 ~~ALTERNATIVE LIVING UNITS FOR ADULTS WITH DEVELOPMENTAL DISABILITIES~~  
6 SITES LICENSED BY THE DEVELOPMENTAL DISABILITIES ADMINISTRATION.

7 (H) "SERVICES" INCLUDES:

8 (1) PROVISION OF FOOD, CLOTHING, SHELTER, EDUCATION, SOCIAL  
9 SERVICES, HEALTH CARE, MENTAL HEALTH CARE, REHABILITATION SERVICES, AND  
10 RECREATION;

11 (2) IN-HOME AND COMMUNITY SUPERVISION;

12 (3) CASE MANAGEMENT BY A ~~LICENSED SOCIAL WORKER~~ QUALIFIED  
13 CASE MANAGER; AND

14 (4) OTHER SERVICES PROVIDED BY A RESIDENTIAL CHILD CARE  
15 PROGRAM.

16 (I) "SINGLE POINT OF ENTRY" MEANS THE INTERACTION BETWEEN THE  
17 GOVERNOR'S OFFICE FOR CHILDREN AND A POTENTIAL PROVIDER THAT OCCURS  
18 BEFORE THE PROCESS OF LICENSING WITH AN AGENCY BEGINS.

19 13-502.

20 THE GENERAL ASSEMBLY INTENDS TO:

21 (1) IMPROVE THE QUALITY OF CARE PROVIDED BY RESIDENTIAL CHILD  
22 CARE PROGRAMS;

23 (2) PROVIDE THE SAME QUALITY OF CARE TO ALL CHILDREN PLACED IN  
24 A RESIDENTIAL CHILD CARE PROGRAM; AND

25 (3) DEVELOP A SYSTEM THAT EXPANDS SERVICES PROVIDED BY  
26 RESIDENTIAL CHILD CARE PROGRAMS TO LOCAL JURISDICTIONS THAT ARE  
27 UNDERSERVED.

28 13-503.

29 (A) (1) THERE IS A STATE RESOURCE PLAN FOR RESIDENTIAL CHILD CARE  
30 PROGRAMS.

31 (2) THE GOVERNOR'S OFFICE FOR CHILDREN SHALL DEVELOP THE  
32 PLAN TO ENHANCE ACCESS TO SERVICES PROVIDED BY RESIDENTIAL CHILD CARE  
33 PROGRAMS.

34 (3) THE PLAN SHALL BE DEVELOPED IN CONSULTATION WITH THE  
35 AGENCIES, PROVIDERS, LOCAL JURISDICTIONS, CHILD ADVOCATES, CONSUMERS,

1 AND ANY OTHER STATE DEPARTMENT, AGENCY, OR PERSON THAT THE OFFICE  
2 IDENTIFIES AS HAVING RELEVANT INFORMATION OR THAT IS INTERESTED IN THE  
3 DEVELOPMENT OF THE PLAN.

4 (B) THE PLAN SHALL:

5 (1) PROVIDE A FRAMEWORK FOR THE GOVERNOR'S OFFICE FOR  
6 CHILDREN AND AGENCIES TO PROCURE RESIDENTIAL CHILD CARE PROGRAM  
7 SERVICES THAT MEET THE NEEDS IDENTIFIED IN THE PLAN;

8 (2) PROVIDE THE FOLLOWING INFORMATION ON RESIDENTIAL CHILD  
9 CARE PROGRAMS:

10 (I) THE LOCAL JURISDICTION WHERE EACH PROGRAM IS  
11 OPERATED;

12 (II) THE PROVIDER FOR EACH PROGRAM;

13 (III) THE ACTUAL CAPACITY AND UTILIZATION RATE FOR EACH  
14 PROGRAM;

15 (IV) THE AGES OF THE CHILDREN IN THE PROGRAM;

16 (V) THE LOCAL JURISDICTION OF ~~EACH CHILD~~ CHILDREN IN THE  
17 PROGRAM;

18 (VI) THE SERVICES ~~EACH CHILD REQUIRES~~ CHILDREN REQUIRE  
19 AND A DESCRIPTION OF HOW THOSE SERVICES ARE BEING PROVIDED;

20 (VII) THE AGENCY THAT PLACED EACH CHILD IN THE PROGRAM;  
21 AND

22 (VIII) ANY OTHER INFORMATION THE GOVERNOR'S OFFICE FOR  
23 CHILDREN OR THE AGENCIES, PROVIDERS, OR LOCAL JURISDICTIONS CONSIDER  
24 RELEVANT;

25 (3) IDENTIFY THE TYPES OF SERVICES NEEDED IN RESIDENTIAL CHILD  
26 CARE PROGRAMS AND THE ESTIMATED NUMBER OF CHILDREN REQUIRING THOSE  
27 SERVICES IN EACH LOCAL JURISDICTION;

28 (4) IDENTIFY THE LOCAL JURISDICTIONS WHERE THE SERVICES  
29 IDENTIFIED IN ITEM (3) OF THIS SUBSECTION ARE INSUFFICIENTLY SUPPLIED;

30 (5) ESTABLISH AN INCENTIVE FUND FOR RESIDENTIAL CHILD CARE  
31 PROGRAM DEVELOPMENT IN THE LOCAL JURISDICTIONS IDENTIFIED IN ITEM (4) OF  
32 THIS SUBSECTION; AND

33 (6) IDENTIFY THE REASONS CHILDREN ARE PLACED IN RESIDENTIAL  
34 CHILD CARE PROGRAMS OUTSIDE OF THEIR LOCAL JURISDICTION IN ACCORDANCE  
35 WITH § 5-525 OF THE FAMILY LAW ARTICLE.

1 (C) (1) THE PLAN SHALL BE ISSUED ON OR BEFORE JULY 1, 2006 AND  
2 UPDATED ON OR BEFORE JULY 1 OF EACH YEAR.

3 (2) ON OR BEFORE JANUARY 1 OF EACH YEAR, THE GOVERNOR'S OFFICE  
4 FOR CHILDREN SHALL, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT  
5 ARTICLE, REPORT TO THE GOVERNOR, THE SENATE EDUCATION, HEALTH, AND  
6 ENVIRONMENTAL AFFAIRS COMMITTEE, THE SENATE FINANCE COMMITTEE, AND  
7 THE HOUSE HEALTH AND GOVERNMENT OPERATIONS COMMITTEE ON THE  
8 FINDINGS OF THE PLAN.

9 13-504.

10 (A) A CONTRACT AWARDED OR RENEWED BETWEEN AN AGENCY AND A  
11 PROVIDER FOR A RESIDENTIAL CHILD CARE PROGRAM SHALL:

12 (1) REQUIRE A PROVIDER TO FULFILL THE LICENSING REQUIREMENTS  
13 UNDER §§ 5-507 THROUGH 5-509 OF THE FAMILY LAW ARTICLE, TITLE 7, SUBTITLE 9,  
14 OF THE HEALTH - GENERAL ARTICLE, OR §§ 2-123 THROUGH 2-125 OF ARTICLE 83C OF  
15 THE CODE;

16 (2) INCLUDE THE FOLLOWING STATEMENTS:

17 (I) THE SERVICES A PROVIDER IS REQUIRED TO PROVIDE IN A  
18 RESIDENTIAL CHILD CARE PROGRAM;

19 (II) AN EXPLANATION FROM THE PROVIDER ON HOW THE  
20 PROGRAM WILL FURTHER THE OBJECTIVES OF THE PLAN UNDER § 13-503(B) OF THIS  
21 SUBTITLE; AND

22 (III) ANY OTHER STATEMENT AN AGENCY CONSIDERS NECESSARY;

23 (3) REQUIRE THE PROVIDER TO REPORT TO THE CONTRACTING AGENCY  
24 ~~WITHIN 10 DAYS IN WRITING~~ WITHIN 24 HOURS AFTER A CRITICAL INCIDENT, AS  
25 DEFINED IN REGULATION, INVOLVING A CHILD IN THEIR CARE, ~~INCLUDING:~~

26 ~~(4)~~;

27 ~~(4)~~ REQUIRE THE PROVIDER TO REPORT COMMUNITY COMPLAINTS  
28 THAT THE RESIDENTIAL CHILD CARE PROGRAM RECEIVES AND THE RESOLUTION OF  
29 THE COMPLAINT WITHIN 10 DAYS; AND

30 ~~(4)~~ ANY OTHER CRITICAL INCIDENT IDENTIFIED BY THE  
31 GOVERNOR'S OFFICE FOR CHILDREN AND THE AGENCIES;

32 ~~(4)~~ (5) REQUIRE THAT THE RESIDENTIAL CHILD CARE PROGRAM  
33 PROVIDE HEALTH CARE SERVICES UNDER § 5-533 OF THE FAMILY LAW ARTICLE;

34 ~~(5)~~ (6) REQUIRE THE PROVIDER TO MAINTAIN HEALTH CARE  
35 RECORDS DURING THE PLACEMENT OF A CHILD IN THEIR RESIDENTIAL CHILD CARE  
36 PROGRAM, INCLUDING:

6 UNOFFICIAL COPY OF HOUSE BILL 813

- 1 (I) HEALTH INSURANCE INFORMATION;
- 2 (II) POWERS OF ATTORNEY, IF APPLICABLE;
- 3 (III) A HISTORY OF PRIMARY AND PREVENTIVE CARE AND ANY  
4 ARRANGEMENTS MADE FOR CONTINUING CARE;
- 5 (IV) A HISTORY OF THE HEALTH CARE PROVIDED FOR BEHAVIORAL,  
6 MENTAL, OR SUBSTANCE ABUSE DISORDERS AND ANY ARRANGEMENTS MADE FOR  
7 CONTINUING CARE; AND
- 8 (V) DOCUMENTATION OF DOCTOR AND DENTIST VISITS;
- 9 ~~(6)~~ (7) REQUIRE A PROVIDER TO COMPLY WITH § 7-309 OF THE  
10 EDUCATION ARTICLE;
- 11 ~~(7)~~ (8) INCLUDE A PLAN FOR THE RESIDENTIAL CHILD CARE  
12 PROGRAM'S INTERACTION WITH THE SURROUNDING COMMUNITY, INCLUDING A  
13 MECHANISM FOR RESPONDING TO COMPLAINTS;
- 14 ~~(8)~~ (9) REQUIRE AN ANNUAL FINANCIAL DISCLOSURE, INCLUDING:
  - 15 (I) A CERTIFIED FINANCIAL AUDIT OF REVENUES AND  
16 EXPENDITURES PREPARED BY A LICENSED ACCOUNTANT;
  - 17 (II) A CERTIFIED FINANCIAL AUDIT PREPARED BY A LICENSED  
18 ACCOUNTANT THAT COMPARES ACTUAL REVENUES AND EXPENDITURES TO THE  
19 BUDGET SUBMITTED TO THE INTERAGENCY RATE COMMITTEE FOR THE PURPOSE OF  
20 GENERATING THE PROGRAM'S RATE; AND
  - 21 (III) A STATEMENT IDENTIFYING ANY INTEREST THAT THE  
22 PROVIDER OR AN EMPLOYEE OF THE PROVIDER HAS WITH A BUSINESS OR ENTITY  
23 THAT ACCOUNTS FOR 5% OR MORE OF THE PROGRAM'S EXPENDITURES;
- 24 ~~(9)~~ (10) REQUIRE A PROVIDER AND THE EMPLOYEES OF THE PROVIDER  
25 HAVING DIRECT CONTACT WITH CHILDREN IN A RESIDENTIAL CHILD CARE  
26 PROGRAM TO BE AT LEAST 21 YEARS OF AGE; AND
- 27 ~~(10)~~ (11) REQUIRE THE RESIDENTIAL CHILD CARE PROGRAM TO HAVE A  
28 CERTIFIED PROGRAM ADMINISTRATOR AS REQUIRED UNDER § 20-301 OF THE  
29 HEALTH OCCUPATIONS ARTICLE.

30 13-505.

31 THE SINGLE POINT OF ENTRY SHALL PROVIDE A SAMPLE CONTRACT THAT  
32 INCLUDES AN EXAMPLE OF THE PROVISIONS REQUIRED UNDER § 13-503 OF THIS  
33 SUBTITLE TO EACH POTENTIAL PROVIDER INTERESTED IN BECOMING LICENSED TO  
34 OPERATE A RESIDENTIAL CHILD CARE PROGRAM.

1 13-506.

2 THE GOVERNOR'S OFFICE FOR CHILDREN SHALL ADOPT REGULATIONS TO  
3 CARRY OUT THE PROVISIONS OF THIS SUBTITLE.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
5 July 1, 2006.