

**ENROLLED BILL**  
-- Finance/Health and Government Operations --

Introduced by **Senator Stone (Baltimore County Administration)**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

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Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this  
\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_ M.

\_\_\_\_\_  
President.

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~~ counties, child advocates, and  
6 consumers; declaring the intent of the General Assembly; establishing the  
7 content of the Plan; ~~requiring that the Plan be issued and updated on or before~~  
8 ~~a certain date~~; requiring the Governor's Office for Children to issue a certain  
9 report on or before a certain date; establishing certain requirements for certain  
10 contracts between certain agencies and providers; requiring a single point of  
11 entry to provide certain sample contracts to potential providers; requiring the  
12 ~~Governor's Office for Children~~ members of the Children's Cabinet to adopt  
13 certain regulations; defining certain terms; and generally relating to  
14 procurement for residential child care programs.

15 BY adding

16 ~~Article State Finance and Procurement~~

1 ~~Section 13-501 through 13-506, inclusive, to be under the new subtitle "Subtitle~~  
 2 ~~5. Contracts for Residential Child Care Programs"~~  
 3 New Article 49D - Children, Youth, and Family Services  
 4 Section 1-101 through 1-106, inclusive, to be under the new title "Title 1.  
 5 Contracts for Residential Child Care Programs"  
 6 Annotated Code of Maryland  
 7 (~~2004~~ 2003 Replacement Volume and 2005 Supplement)

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

10 ~~Article—State Finance and Procurement~~

11 ARTICLE 49D - CHILDREN, YOUTH, AND FAMILY SERVICES

12 ~~SUBTITLE 5.~~ TITLE 1. CONTRACTS FOR RESIDENTIAL CHILD CARE PROGRAMS.

13 ~~13-501~~ 1-101.

14 (A) IN THIS ~~SUBTITLE~~ TITLE THE FOLLOWING WORDS HAVE THE MEANINGS  
 15 INDICATED.

16 (B) "AGENCIES" MEANS:

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

18 (2) THE DEPARTMENT OF HUMAN RESOURCES; AND

19 (3) THE DEPARTMENT OF JUVENILE SERVICES.

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

21 (1) CERTIFIED BY THE STATE BOARD FOR CERTIFICATION OF  
 22 RESIDENTIAL CHILD CARE PROGRAM ADMINISTRATORS UNDER TITLE 20 OF THE  
 23 HEALTH OCCUPATIONS ARTICLE; AND

24 (2) RESPONSIBLE FOR THE DAY-TO-DAY MANAGEMENT AND  
 25 OPERATION OF A RESIDENTIAL CHILD CARE PROGRAM.

26 (D) ~~"LOCAL JURISDICTION" MEANS ANY COUNTY IN THE STATE OR~~  
 27 ~~BALTIMORE CITY~~ "OFFICE" MEANS THE GOVERNOR'S OFFICE FOR CHILDREN.

28 (E) "PLAN" MEANS THE STATE RESOURCE PLAN FOR RESIDENTIAL CHILD  
 29 CARE PROGRAMS.

30 (F) "PROVIDER" MEANS A FOR PROFIT OR NOT FOR PROFIT ENTITY LICENSED  
 31 BY AN AGENCY TO OPERATE A RESIDENTIAL CHILD CARE PROGRAM.

1 (G) (1) "RESIDENTIAL CHILD CARE PROGRAM" MEANS AN ENTITY THAT  
 2 PROVIDES 24-HOUR PER DAY CARE FOR CHILDREN WITHIN A STRUCTURED SET OF  
 3 SERVICES AND ACTIVITIES THAT ARE DESIGNED TO ACHIEVE SPECIFIC OBJECTIVES  
 4 RELATIVE TO THE NEEDS OF THE CHILDREN SERVED AND THAT INCLUDE THE  
 5 PROVISION OF FOOD, CLOTHING, SHELTER, EDUCATION, SOCIAL SERVICES, HEALTH,  
 6 MENTAL HEALTH, RECREATION, OR ANY COMBINATION OF THESE SERVICES AND  
 7 ACTIVITIES.

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

9 (I) LICENSED BY:

- 10 1. THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE;
- 11 2. THE DEPARTMENT OF HUMAN RESOURCES; OR
- 12 3. THE DEPARTMENT OF JUVENILE SERVICES; AND

13 (II) THAT IS SUBJECT TO THE LICENSING REGULATIONS OF THE  
 14 ~~GOVERNOR'S OFFICE FOR CHILDREN~~ MEMBERS OF THE CHILDREN'S CABINET  
 15 GOVERNING THE OPERATIONS OF RESIDENTIAL CHILD CARE PROGRAMS.

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

19 (H) "SERVICES" INCLUDES:

20 (1) ~~PROVISION OF FOOD, CLOTHING, SHELTER, EDUCATION, SOCIAL~~  
 21 ~~SERVICES, HEALTH CARE, MENTAL HEALTH CARE, REHABILITATION SERVICES, AND~~  
 22 ~~RECREATION;~~

23 (2) ~~IN HOME AND COMMUNITY SUPERVISION;~~

24 (3) ~~CASE MANAGEMENT BY A LICENSED SOCIAL WORKER; AND~~

25 (4) ~~OTHER SERVICES PROVIDED BY A RESIDENTIAL CHILD CARE~~  
 26 ~~PROGRAM.~~

27 (4) (H) "SINGLE POINT OF ENTRY" MEANS THE INTERACTION BETWEEN THE  
 28 ~~GOVERNOR'S OFFICE FOR CHILDREN~~ OFFICE AND A POTENTIAL PROVIDER THAT  
 29 OCCURS BEFORE THE PROCESS OF LICENSING WITH AN AGENCY BEGINS.

30 ~~43-502 1-102.~~

31 THE GENERAL ASSEMBLY INTENDS TO:

32 (1) IMPROVE THE QUALITY OF CARE PROVIDED BY RESIDENTIAL CHILD  
 33 CARE PROGRAMS;

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

3 (3) DEVELOP A SYSTEM THAT EXPANDS SERVICES PROVIDED BY  
4 RESIDENTIAL CHILD CARE PROGRAMS TO ~~LOCAL JURISDICTIONS~~ COUNTIES THAT  
5 ARE UNDERSERVED.

6 ~~13-503~~ 1-103.

7 (A) (1) THERE IS A STATE RESOURCE PLAN FOR RESIDENTIAL CHILD CARE  
8 PROGRAMS.

9 (2) ~~THE GOVERNOR'S OFFICE FOR CHILDREN OFFICE~~ SHALL DEVELOP  
10 THE PLAN ON OR BEFORE JULY 1 OF EACH YEAR IN ORDER TO ENHANCE ACCESS TO  
11 SERVICES PROVIDED BY RESIDENTIAL CHILD CARE PROGRAMS.

12 (3) THE PLAN SHALL BE DEVELOPED IN CONSULTATION WITH THE  
13 AGENCIES, PROVIDERS, ~~LOCAL JURISDICTIONS~~ COUNTIES, CHILD ADVOCATES,  
14 CONSUMERS, AND ANY OTHER STATE DEPARTMENT, AGENCY, OR PERSON THAT THE  
15 OFFICE IDENTIFIES AS HAVING RELEVANT INFORMATION OR THAT IS INTERESTED  
16 IN THE DEVELOPMENT OF THE PLAN.

17 (B) THE PLAN SHALL:

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

21 (2) PROVIDE THE FOLLOWING INFORMATION ON RESIDENTIAL CHILD  
22 CARE PROGRAMS:

23 (I) THE ~~LOCAL JURISDICTION~~ COUNTY WHERE EACH PROGRAM IS  
24 OPERATED;

25 (II) THE PROVIDER FOR EACH PROGRAM;

26 (III) THE ACTUAL CAPACITY AND UTILIZATION RATE FOR EACH  
27 PROGRAM;

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

29 (V) THE ~~LOCAL JURISDICTION~~ COUNTY OF EACH CHILD IN THE  
30 PROGRAM;

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

33 (VII) THE AGENCY THAT PLACED ~~EACH CHILD~~ CHILDREN IN THE  
34 PROGRAM; AND

1 (VIII) ANY OTHER INFORMATION THE ~~GOVERNOR'S OFFICE FOR~~  
 2 ~~CHILDREN OFFICE~~ OR THE AGENCIES, PROVIDERS, OR ~~LOCAL JURISDICTIONS~~  
 3 ~~COUNTIES~~ CONSIDER RELEVANT;

4 (3) IDENTIFY THE TYPES OF SERVICES NEEDED IN RESIDENTIAL CHILD  
 5 CARE PROGRAMS AND THE ESTIMATED NUMBER OF CHILDREN REQUIRING THOSE  
 6 SERVICES IN EACH ~~LOCAL JURISDICTION~~ COUNTY;

7 (4) IDENTIFY THE ~~LOCAL JURISDICTIONS~~ COUNTIES WHERE THE  
 8 SERVICES IDENTIFIED IN ITEM (3) OF THIS SUBSECTION ARE INSUFFICIENTLY  
 9 SUPPLIED;

10 (5) ESTABLISH AN INCENTIVE FUND FOR RESIDENTIAL CHILD CARE  
 11 PROGRAM DEVELOPMENT IN THE ~~LOCAL JURISDICTIONS~~ COUNTIES IDENTIFIED IN  
 12 ITEM (4) OF THIS SUBSECTION; AND

13 (6) IDENTIFY THE REASONS CHILDREN ARE PLACED IN RESIDENTIAL  
 14 CHILD CARE PROGRAMS OUTSIDE OF THEIR ~~LOCAL JURISDICTION~~ COUNTY IN  
 15 ACCORDANCE WITH § 5-525 OF THE FAMILY LAW ARTICLE.

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

18 ~~(2) ON OR BEFORE JANUARY 1 OF EACH YEAR, THE GOVERNOR'S OFFICE~~  
 19 ~~FOR CHILDREN OFFICE~~ SHALL, IN ACCORDANCE WITH § 2-1246 OF THE STATE  
 20 GOVERNMENT ARTICLE, REPORT TO THE GOVERNOR, ~~THE SENATE EDUCATION,~~  
 21 ~~HEALTH, AND ENVIRONMENTAL AFFAIRS COMMITTEE,~~ THE SENATE FINANCE  
 22 COMMITTEE, AND THE HOUSE HEALTH AND GOVERNMENT OPERATIONS COMMITTEE  
 23 ON THE ~~FINDINGS OF THE PLAN~~ PLAN'S FINDINGS AND RECOMMENDATIONS.

24 ~~13-504 1-104.~~

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

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

31 (2) INCLUDE THE FOLLOWING STATEMENTS:

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

34 (II) AN EXPLANATION FROM THE PROVIDER ON HOW THE  
 35 PROGRAM WILL FURTHER THE OBJECTIVES OF THE PLAN UNDER § ~~13-503(B)~~ 1-103(B)  
 36 OF THIS ~~SUBTITLE~~ TITLE; AND

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

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

4 ~~(4)~~;

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

8 ~~(H) ANY OTHER CRITICAL INCIDENT IDENTIFIED BY THE~~  
9 ~~GOVERNOR'S OFFICE FOR CHILDREN AND THE AGENCIES;~~

10 ~~(4)~~ (5) REQUIRE THAT THE RESIDENTIAL CHILD CARE PROGRAM  
11 PROVIDE HEALTH CARE SERVICES UNDER § 5-533 OF THE FAMILY LAW ARTICLE;

12 ~~(5)~~ (6) REQUIRE THE PROVIDER TO MAINTAIN HEALTH CARE  
13 RECORDS DURING THE PLACEMENT OF A CHILD IN ~~THEIR~~ ITS RESIDENTIAL CHILD  
14 CARE PROGRAM, INCLUDING:

15 (I) HEALTH INSURANCE INFORMATION;

16 (II) POWERS OF ATTORNEY, IF APPLICABLE;

17 (III) A HISTORY OF PRIMARY AND PREVENTIVE CARE AND ANY  
18 ARRANGEMENTS MADE FOR CONTINUING CARE;

19 (IV) A HISTORY OF THE HEALTH CARE PROVIDED FOR BEHAVIORAL,  
20 MENTAL, OR SUBSTANCE ABUSE DISORDERS AND ANY ARRANGEMENTS MADE FOR  
21 CONTINUING CARE; AND

22 (V) DOCUMENTATION OF DOCTOR AND DENTIST VISITS;

23 ~~(6)~~ (7) REQUIRE A PROVIDER TO COMPLY WITH § 7-309 OF THE  
24 EDUCATION ARTICLE;

25 ~~(7)~~ (8) INCLUDE A PLAN FOR THE RESIDENTIAL CHILD CARE  
26 PROGRAM'S INTERACTION WITH THE SURROUNDING COMMUNITY, INCLUDING A  
27 MECHANISM FOR RESPONDING TO COMPLAINTS;

28 ~~(8)~~ (9) REQUIRE AN ANNUAL FINANCIAL DISCLOSURE, INCLUDING:

29 (I) A CERTIFIED FINANCIAL AUDIT OF REVENUES AND  
30 EXPENDITURES PREPARED BY A LICENSED ACCOUNTANT;

31 (II) A CERTIFIED FINANCIAL AUDIT PREPARED BY A LICENSED  
32 ACCOUNTANT THAT COMPARES ACTUAL REVENUES AND EXPENDITURES TO THE  
33 BUDGET SUBMITTED TO THE INTERAGENCY RATE COMMITTEE FOR THE PURPOSE OF  
34 GENERATING THE PROGRAM'S RATE; AND

1 (III) A STATEMENT IDENTIFYING ANY INTEREST THAT THE  
2 PROVIDER OR AN EMPLOYEE OF THE PROVIDER HAS WITH A BUSINESS OR ENTITY  
3 THAT ACCOUNTS FOR 5% OR MORE OF THE PROGRAM'S EXPENDITURES;

4 (9) (10) REQUIRE A PROVIDER AND THE EMPLOYEES OF THE PROVIDER  
5 HAVING DIRECT CONTACT WITH CHILDREN IN A RESIDENTIAL CHILD CARE  
6 PROGRAM TO BE AT LEAST 21 YEARS OF AGE; AND

7 (10) (11) REQUIRE THE RESIDENTIAL CHILD CARE PROGRAM TO HAVE A  
8 CERTIFIED PROGRAM ADMINISTRATOR AS REQUIRED UNDER § 20-301 OF THE  
9 HEALTH OCCUPATIONS ARTICLE.

10 ~~43-505~~ 1-105.

11 THE SINGLE POINT OF ENTRY SHALL PROVIDE A SAMPLE CONTRACT THAT  
12 INCLUDES AN EXAMPLE OF THE PROVISIONS REQUIRED UNDER § ~~43-503~~ 1-103 OF  
13 THIS ~~SUBTITLE~~ TITLE TO EACH POTENTIAL PROVIDER INTERESTED IN BECOMING  
14 LICENSED TO OPERATE A RESIDENTIAL CHILD CARE PROGRAM.

15 ~~43-506~~ 1-106.

16 THE ~~GOVERNOR'S OFFICE FOR CHILDREN~~ MEMBERS OF THE CHILDREN'S  
17 CABINET SHALL ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS  
18 ~~SUBTITLE~~ TITLE.

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