

**Department of Legislative Services**  
 Maryland General Assembly  
 2008 Session

**FISCAL AND POLICY NOTE**  
**Revised**

Senate Bill 783

(Senator Zirkin)

Education, Health, and Environmental Affairs

Health and Government Operations

**Residential Child Care Programs - Certification of Residential Child Care  
 Program Professionals**

This bill expands the purview of the State Board for Certification of Residential Child Care Program Administrators to include the certification of residential child and youth care practitioners. The bill requires these practitioners to be certified by the board no later than October 1, 2013.

**Fiscal Summary**

**State Effect:** General fund expenditures could increase by \$99,300 in FY 2009 to hire staff and develop examination materials. Future year expenditures reflect annualization and phased-in staffing and administrative expenses. Additional FY 2012 and 2013 expenditures reflect increases in provider rates that result from increased salary and training costs. General fund revenues could increase beginning in FY 2012 to reflect certification fees.

(in dollars)	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
GF Revenue	\$0	\$0	\$0	-	-
GF Expenditure	99,300	116,000	396,500	681,100	781,200
GF/SF/FF Exp.	0	0	0	-	-
Net Effect	(\$99,300)	(\$116,000)	(\$396,500)	(\$681,100)	(\$781,200)

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** Potential minimal increase in expenditures due to the extension of existing penalty provisions to residential child and youth care practitioners.

**Small Business Effect:** Potential meaningful for residential child care program providers.

## Analysis

**Bill Summary:** The bill renames the board as the State Board for Certification of Residential Child Care Program Professionals and adds a residential child and youth care practitioner to the board.

An individual is required to be certified before performing the duties of a residential child and youth care practitioner in the State. This requirement applies to practitioners employed by programs licensed by the departments of Health and Mental Hygiene, Human Resources, and Juvenile Services and subject to the Governor's Office for Children's licensing regulations; this requirement does not apply to programs licensed by the Developmental Disabilities Administration. Only those certified by the board are permitted to use the title "residential child and youth care practitioner" or otherwise present themselves as authorized to provide these services.

To qualify for certification as a residential child and youth care practitioner, an individual must be of good moral character, submit to a State and national criminal history records check, be at least age 21 or at least age 18 with a degree from an accredited college or university, and pass an examination given by the board. The applicant must also have a high school diploma and have completed an approved training program; have two years experience in human services under the sponsorship of a certified program administrator; or hold a degree from an accredited college or university. Program administrators are additionally required to submit to a national criminal history records check.

Certificates are valid for a period of two years. To renew a certificate, a residential child and youth care practitioner must present evidence of compliance with continuing education or other requirements established by the board. The board is authorized to reinstate a lapsed certificate under specified circumstances.

The board is authorized to deny a certificate, reprimand a certificate holder, place the certificate holder on probation, or suspend or revoke a certificate if the holder fraudulently obtains or uses a certificate, fails to meet certification standards, engages in unprofessional conduct, fails to fulfill required duties, or violates other enumerated provisions. An individual is entitled to a hearing before action is taken against a certificate holder; the decision of the board may be appealed as provided in State law.

A person who violates the Maryland Certification of Residential Child Care Program Professionals Act is guilty of a misdemeanor and is subject to a fine of up to \$1,000 for a first offense. A subsequent violation of the same provision may be punishable with a fine of up to \$5,000 and/or imprisonment of up to six months.

**Current Law:** Residential child care program regulations require direct care staff to be at least age 18 with a degree in a human services field. Staff age 21 or older may qualify without a college degree as long as they have a high school diploma or its equivalent.

Regulation further establishes that each employee who provides direct care to children must receive at least 40 hours of initial and annual training in first aid, reporting of child abuse and neglect, disciplinary procedures, behavioral and social health, and other enumerated subjects.

### *State Board for Certification of Residential Child Care Program Administrators*

Chapter 438 of 2004 established the State Board for Certification of Residential Child Care Program Administrators, an 11-member board administratively located in the Department of Health and Mental Hygiene. The board's duties include maintaining a registry of all individuals certified by the board, submitting an annual report, adopting a code of ethics, and establishing continuing education requirements.

An individual is required to be certified before performing the duties of a program administrator in the State. Only those certified by the board are permitted to use the title "residential child care program administrator" or otherwise present themselves as authorized to administer a residential child care program. Certificate holders must meet education, experience, and examination requirements in addition to submitting to a criminal history records check. The board may waive examination requirements under specified circumstances. Applicants for certificate renewal must meet continuing education or other requirements established by the board. All fees collected by the board are paid into the general fund.

The board is subject to evaluation and reestablishment under the Maryland Program Evaluation Act, with a termination date of July 1, 2014.

**Background:** Chapter 133 of 2007 required the Governor's Office for Children – in cooperation with licensing agencies, representatives of residential child care programs, and other advocacy groups for children – to develop recommendations for certification of direct care staff employed by residential child care programs.

The report recommended professionalizing the role of direct care workers to attract and retain dedicated individuals to this field of work. A survey by the Maryland Association of Resources for Families and Youth (MARFY) found an average 92.5% annual turnover rate among direct care staff, the majority of whom have not obtained a college degree.

The report recommended certification of existing direct care staff after completion of two years experience and passage of a State examination if the incumbent meets certain

training and/or education requirements. The report recommended certification of prospective direct care staff after successful completion of a board-approved degree or certificate program and a passing score on a State examination. The report also recommended lowering the minimum age for direct care staff from 21 to 18.

These recommendations coincide with programs developed among providers and advocates of residential child care programs to address workforce needs. In collaboration with other interested parties and agencies, MARFY launched a certificate program at the Community College of Baltimore County in 2007 that includes 26 credit hours in subjects including child development, behavior management, and treatment services. This program would likely serve as the model for the approved training programs established as one possible component for certification under the bill.

**State Revenues:** The bill requires that all residential child and youth care practitioners be certified as of October 1, 2013 to continue to provide services. The report of the Governor's Office for Children has estimated that there are currently 10,000 direct care workers, all of whom would be required to be certified.

The amount of fees assessed to applicants for certification is not established in the bill; however, the State Board for Certification of Residential Child Care Program Administrators has proposed a \$125 examination fee and \$100 initial certification fee for program administrators. It is assumed that the fees assessed to residential child and youth care practitioners would be less than the amount assessed to program administrators.

*For illustrative purposes only,* general fund revenues could initially increase by a total of \$1.0 million if the board were to assess a \$50 examination fee and \$50 initial certification fee to residential child and youth care practitioners. The timing of these applications is speculative, but it is assumed that the board would begin to receive applications prior to the October 1, 2013 deadline. For purposes of this analysis, it is assumed that the board begins to certify residential child and youth care practitioners in fiscal 2012, with initial certification activity continuing through fiscal 2014.

### *Penalties*

The extension of existing civil and criminal penalty provisions to residential child and youth care practitioners is not expected to significantly affect State finances.

**State Expenditures:** General fund expenditures could increase by an estimated \$99,289 in fiscal 2009, which accounts for the bill's October 1, 2008 effective date. This estimate reflects the cost of hiring one administrative officer and one office secretary to assist current staff in developing materials and handling inquiries. It includes salaries, fringe benefits, examination development, one-time start-up costs, and ongoing operating

expenses. The information and assumptions used in calculating the estimate are stated below:

- as many as 10,000 residential child and youth care practitioners apply for certification, with initial credentialing activity beginning in fiscal 2012 and continuing through fiscal 2014;
- board staffing is phased in, with another 4.5 administrative and clerical positions added in fiscal 2011 and 3 investigators added in fiscal 2012; and
- the board contracts for the administration of the test, with expenses beginning in fiscal 2012.

Salaries and Fringe Benefits	\$74,719
Examination Development	12,000
Operating Expenses	<u>12,570</u>
<b>Total FY 2009 State Expenditures</b>	<b>\$99,289</b>

Future year expenditures reflect • full salaries with 4.4% annual increases and 3% employee turnover; • 2% annual increases in ongoing operating expenses; • and phased-in staffing and program development costs.

#### *Cost to the State as Purchaser of Services*

Many of the costs incurred by residential child care program providers will be passed on to the State in the form of higher rates. For many current direct care workers, certification will require additional training, education, and administrative costs. A portion of providers would likely defray a portion of these costs for their employees; however, their willingness to do so will likely be influenced by the high rates of turnover.

A more significant and tangible cost to the providers will result from increased salary costs for employees certified as residential child and youth care practitioners. Nearly two-thirds of current practitioners do not have a college degree. According to the MARFY survey, these employees earn an average of \$1,500 less per year than their counterparts with an associate's degree. The higher salary costs would likely increase expenditures across classifications if the minimum salary were increased among residential child and youth care practitioners. If the certification standards create an initial shortage of qualified practitioners, this demand could also influence salaries paid by providers.

Although the resulting effect cannot be quantified at this time, the increase in salary costs could significantly increase provider expenditures. These costs would be reflected in the rate system, which in turn affects the cost of services purchased by the departments of Health and Mental Hygiene, Human Resources, and Juvenile Services. This could result in increases in the purchase of care expenditures among these agencies.

The extension of existing criminal penalty provisions to residential child and youth care practitioners is not expected to significantly affect State expenditures.

**Small Business Effect:** Certification requirements would have potentially meaningful effects for residential child care programs. To the extent that these providers help to defray the cost of certification, education and training expenditures could increase. Once certified, providers' salary expenditures would likely increase for residential child and youth care practitioners as well as other staff. These expenses could be significant, reflected in the rates providers charge to placement agencies.

**Additional Comments:** The cost of the State and national records check required by the bill is \$57.25 per person, which includes the cost of the national records check, the State records check, and a fingerprinting fee. Any additional expenditures incurred by the Department of Public Safety and Correctional Services in providing these services would be offset by the fees paid by the applicant.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Juvenile Services, Department of Human Resources, Governor's Office for Children, Maryland State Department of Education, Department of Disabilities, Department of Health and Mental Hygiene, Department of Legislative Services

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