

Department of Legislative Services  
Maryland General Assembly  
2010 Session

FISCAL AND POLICY NOTE

Senate Bill 880 (Senators Forehand and Muse)  
Judicial Proceedings

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Department of Juvenile Services - Redirection Pilot Program and Plan

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This bill establishes a redirection pilot program in the Department of Juvenile Services (DJS). The purpose of the program is to reduce by 50% the number of children placed by DJS each year in: (1) per diem residential placements, including foster homes, group homes, drug treatment programs, and out-of-state placements; (2) State correctional facilities; and (3) State detention centers.

The bill takes effect October 1, 2010, and terminates December 31, 2013.

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Fiscal Summary

**State Effect:** General fund expenditures increase significantly, offset to some extent, by potential savings in diverting children from more costly residential placements. Revenues are not affected.

**Local Effect:** None.

**Small Business Effect:** The bill may reduce demand for group homes while increasing demand for wraparound services programming. To the extent that providers of these services qualify as a small business, the impact of the bill could be potentially meaningful.

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Analysis

**Bill Summary:** Under the redirection pilot program, DJS is required to use an appropriate assessment tool to assess a child's eligibility for individualized services instead of out-of-home placement, when a child is adjudicated delinquent and likely to be

committed to the custody of DJS and at risk of placement in a per diem residential placement. If a child is determined to be eligible for individualized services, DJS must seek approval from the juvenile court to provide individualized services to the child instead of a per diem residential placement.

DJS must establish an advisory council for the pilot program that consists of representatives as specified in the bill.

DJS must contract with an independent consultant with expertise in the implementation and study of the “wraparound process” for delinquent youth to assist in the implementation of the program. The consultant must also evaluate the outcomes and cost savings achieved by the program. DJS must provide the independent contractor with data to assist in the evaluation of the effectiveness of the program. The “wraparound process” is defined as a process by which services are individualized to the unique needs of each eligible child and their family, based on their strengths, to meet their priority needs and provided by individuals in the community who are culturally competent and well-trained.

DJS must collaborate with the agencies in the Children’s Cabinet to develop a three-year plan to expand the availability of individualized services to:

- (1) children engaging in delinquent behavior, committed to a State or local agency, and at high risk of out-of-home residential placement or returning to the community from residential placement;
- (2) children who have been arrested but whose charges have not been processed or whose charges have been processed but have not been committed to an agency;
- (3) children placed on probation, under supervision, in community detention, or under a step-down aftercare plan; and
- (4) children who have not been arrested but who have engaged in delinquent or predelinquent behavior.

The plan must include numerical goals with a minimum goal of creating at least 1,000 new slots for children’s individualized services beyond the number of slots in existence as of October 1, 2011. The Children’s Cabinet must consider the use of new budgeted funds, existing funds, savings generated from the program, private donations, and federal funds. DJS must invite representatives from specified organizations or systems to participate in the development of the plan in a meaningful way, in addition to the independent consultant selected for the redirection pilot program and an administrator of an individualized service practice program at a core service agency or local management

board. DJS must report to the General Assembly by October 1, 2011, on the three-year plan.

DJS must issue a final report of the independent consultant to the General Assembly by December 31, 2011, that evaluates the outcomes, cost savings, and effectiveness of the program.

**Current Law:** Once a child has been adjudicated delinquent, the juvenile court may commit the child to the custody or guardianship of DJS on terms that the court considers appropriate. The court may also order the child, parents, guardian, or custodian of the child to participate in rehabilitative services that are in the best interest of the child and the family.

**Background:** The wraparound model of care has been in existence for over two decades. The model emerged in the late 1970s to address the needs of youth with severe emotional and behavioral disorders within their communities. Wraparound services have been utilized by juvenile services agencies more recently as a means to prevent offenders from reoffending, reduce out-of-home placement, and reduce recidivism. The wraparound process is a collaborative one, with teams of individuals, including the caregiver, service providers, and an agency representative, developing a plan of care for a child and/or families, implementing the plan over a set period of time, and evaluating the effectiveness of the plan. A facilitator, who is trained for the role, oversees the team.

**State Fiscal Effect:** *In spite of repeated requests from Legislative Services, DJS did not provide meaningful information in a timely manner which would have enabled a more specific fiscal analysis of the bill.* General fund expenditures for DJS increase significantly in fiscal 2011 to expand contracts for wraparound service providers and to provide funding for an independent contractor to implement and evaluate the pilot program.

DJS advises that there is currently an annual contract of \$700,000 in one jurisdiction (Baltimore City) to provide wraparound services. DJS stated that the department does not have information readily available regarding the number of slots the contract currently serves nor an estimate for the extent to which the contract would need to be expanded to accommodate the goals of the bill. The Governor's Office for Children also administers contracts for two vendors to provide wraparound services, for which DJS has provided pilot funding to cover 25 group home diversion slots. Information as to the specific amount of funding provided by DJS was not made available. DJS also did not provide a reliable estimate of the expenditures necessary to hire an independent contractor.

DLS advises that in fiscal 2010 to date, DJS has an average daily population of 928 youth committed to residential placements, 76% of whom are placed in private per diem facilities, including foster care, group homes, residential treatment centers, and secure out-of-state facilities. The proposed fiscal 2011 State budget includes \$43.9 million in general funds for private per diem placements. It is anticipated that once wraparound services are provided to children, instead of funding per diem residential placements, DJS will experience some general fund expenditure savings. For each 1% decrease in the budgeted amount for private per diem residential placements, general fund expenditures could decrease by \$439,100.

DJS cautions that despite efforts to expand wraparound programs, it is unlikely that the bill's stated goal of reducing by 50% per diem or correctional or detention center placements can be reached. Many of the children who are currently in these placements may not be appropriate for wraparound services, due to the fact that they may pose a risk to themselves or others if referred to wraparound service providers in lieu of a more secure environment.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Allegany, Montgomery, and Talbot counties; Governor's Office for Children; Maryland State Department of Education; Department of Health and Mental Hygiene; Department of Juvenile Services; Department of State Police; Department of Public Safety and Correctional Services; State's Attorneys' Association; Department of Legislative Services

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