

CLARENCE K. LAM, M.D., M.P.H.
Legislative District 12
Baltimore and Howard Counties

Education, Health, and Environmental Affairs
Committee
Chair, Environment Subcommittee

Executive Nominations Committee

Joint Committee on Ending Homelessness

Senate Chair

Joint Audit and Evaluation Committee

Joint Committee on Fair Practices and
State Personnel Oversight

Vice Chair

Baltimore County Senate Delegation

Chair

Howard County Senate Delegation

Chair

Asian-American & Pacific-Islander Caucus



Miller Senate Office Building
11 Bladen Street, Room 420
Annapolis, Maryland 21401
410-841-3653 · 301-858-3653
800-492-7122 Ext. 3653
Clarence.Lam@senate.state.md.us

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

**Support SB 708:
Maryland Department of Health - Office of the Inspector General
and Emergency Procurement Audits**

Background:

- Throughout the COVID-19 pandemic, the state of Maryland has had to work quickly to secure critical medical equipment and life-saving contractual services.
- To secure these essential contracts, the state awarded many large emergency procurement contracts to third-party entities, some of whom did not have the appropriate experience in providing the services they were contracted for.
- A concerning number of entities contracted by the state during the pandemic struggled to follow Maryland Department of Health (MDH) and Centers for Disease Control (CDC) guidelines relating to the delivery and storage of COVID-19 vaccines.
- TrueCare24, one of these third-party contractors, improperly managed vaccines and delivered hundreds of potentially compromised doses to Marylanders.¹²
- Despite the existence of an internal Office of Inspector General (OIG) within MDH, the OIG chose to not investigate the allegations of vaccine misuse at the time.

Why SB 708 is Needed:

- Third-party contractors that do not follow CDC and MDH guidance relating to the handling and delivery of vaccines put Maryland's public health in jeopardy.
- Without proper oversight of the emergency procurement contracts, there is a higher risk for the misuse, mismanagement, and misallocation of taxpayer funds to third-party contractors.

¹ [Baltimore Sun \(December, 2021\)](#)

² [Baltimore Sun \(February, 2022\)](#)

- The current statute can be strengthened to ensure that the OIG within MDH has the explicit authority to investigate operations that threaten public safety and to ensure that instances related to incompetence, malfeasance, and negligence can be addressed by an entity within this unit.
- Without strong financial oversight of emergency procurement contracts, the state cannot adequately ensure that taxpayer dollars are not being wasted by third-party contractors.

What SB 708 Does:

- SB 708 establishes the position of a “Compliance Officer” within the Office of the Inspector General in MDH with designated education and experience requirements for the position.
- SB 708 directs the Inspector General and the Compliance Officer to investigate any fraud, waste, abuse, and behavior within MDH that threatens public safety or otherwise is indicative of negligence, incompetence, or malfeasance.
- SB 708 clarifies that the Inspector General and the Compliance Officer have the necessary authority to execute investigations within MDH operations to scrutinize concerns that do not solely relate to the misuse of Department funds.
- SB 708 requires that the Board of Public Works submit public, independent audits of all emergency procurement contracts to the Secretary of Health within 90 days of the date that the contracts are awarded.

What SB 708 Accomplishes:

- SB 708 protects the health and safety of Marylanders by creating the position of “Compliance Officer” to ensure that there is a dedicated entity within the MDH OIG to investigate negligence, incompetence, and malfeasance.
- SB 708 ensures that there is strong oversight over the execution of contracts awarded by MDH to third-party entities.
- SB 708 improves the ability of MDH to protect Maryland’s public health through expanded supervision of third-party contractors.
- SB 708 improves the stewardship of taxpayer dollars by requiring independent audits for emergency procurement contracts which will make sure these funds are spent appropriately.