



March 3, 2026

**House Appropriations Committee
TESTIMONY IN SUPPORT**

HB 1181 - Family Law - Children in Out-of-Home Placement - Voluntary Placement Agreements

Behavioral Health System Baltimore (BHSB) is a nonprofit organization that serves as the local behavioral health authority (LBHA) for Baltimore City. BHSB works to increase access to a full range of quality behavioral health (mental health and substance use) services and advocates for innovative approaches to prevention, early intervention, treatment and recovery for individuals, families, and communities. Baltimore City represents nearly 35 percent of the public behavioral health system in Maryland, serving over 100,000 people with mental illness and substance use disorders (collectively referred to as “behavioral health”) annually.

Behavioral Health System Baltimore supports HB 1181 - Family Law - Children in Out-of-Home Placement - Voluntary Placement Agreements. This legislation would make desperately needed reforms to the voluntary placement agreement (VPA) process that would better support children and youth with serious emotional needs and their families.

A VPA is a mechanism used when families temporarily relinquish physical custody (not legal custody) to the Department of Human Services (DHS) so a child with serious mental illness or a developmental disability can access needed treatment that the family cannot themselves access or afford. The majority of VPAs are denied often due to a family giving up or a ruling that they had not fully exhausted all possible community-based options.¹ Current requirements are overly cumbersome and time-consuming, resulting in youth lingering in hospitals long past the time they should be discharged, or a family deciding they must relinquish full custody of their child to the state to access needed treatment. HB 1181 would implement several changes to address some of the many current problems with the administration of VPAs:

- 1. Clarify eligibility requirements:** HB 1181 changes the standard for approving a VPA from “exhausting” all possible community-based services to “made reasonable efforts to avoid an out-of-home placement.” This uses existing COMAR and statutory language and eliminates a common administrative barrier.
- 2. Remove the Local Care Team (LCT) requirement:** Currently, an LCT meeting must be held before a VPA determination can be made. LCTs rarely can do much for a family and play no role in making a VPA determination.
- 3. Require providing full information about child support obligations to families:** The threat of an onerous child support payment can be used to dissuade families from seeking a VPA for medically necessary treatment. Parents must be notified that they can appeal an initial determination with the Clerk of Court, resulting in a good possibility that the initial amount will be reduced.
- 4. Implement the provision that in certain cases, VPAs are not needed, by moving funding for the education cost of certain residential treatment center (RTC) stays from the Department of Human Services (DHS) to the Maryland Department of Health (MDH):** All Maryland’s Medicaid-eligible children who are entering a facility that accepts Maryland Medicaid should be able to access the psychiatric treatment they require without their family having to enter the child welfare system simply to have their child’s education paid for. Currently, for children in VPAs, DHS pays for the education component of an RTC stay with state general funds. Those dollars could (and should) run through MDH instead of DHS to avoid the need for a VPA.

Reforming VPAs is essential to getting a handle on the youth behavioral health crisis facing Maryland. HB 1181 is a comprehensive approach that addresses numerous obstacles in the process. **We urge the House Appropriations Committee to support HB 1181.**

For more information, please contact BHSB Policy Director Dan Rabbitt at 443-401-6142

Endnotes:

¹ Maryland Department of Human Services (DHS). Report on Voluntary Placement Agreements – Children and Young Adults. December 1, 2022. Available at: [https://dlslibrary.state.md.us/publications/Exec/DHS/SSA/FL5-505.1\(d\)_2022.pdf](https://dlslibrary.state.md.us/publications/Exec/DHS/SSA/FL5-505.1(d)_2022.pdf)