



THE MARYLAND HOUSE OF DELEGATES  
ANNAPOLIS, MARYLAND 21401

**March 3, 2026**

**HB1181 Family Law - Children in Out-of-Home Placement - Voluntary Placement  
Agreements**

Good afternoon, Mr. Chairman, Madame Vice Chair and members of the Appropriations Committee. My name is Delegate Heather Bagnall. Thank you for the opportunity to speak with you about House Bill 1181.

A Voluntary Placement Agreement (VPA) temporarily places a child in physical custody, not legal custody, of the Department of Human Services (DHS) so they can receive out-of-home care. This process allows children with a documented developmental disability or mental illness to access care in residential treatment centers (RTCs) when their family cannot afford it.

When entering into a VPA, families are often not fully aware of the significant delays and financial burden they will face to secure the necessary care for their child. According to the Maryland Department of Health (MDH), approximately half of pediatric overstay cases across Maryland are the result of delays in the VPA process. Families with children in a VPA are subject to child support payments that were intended to offset part of the residential treatment expenses paid for by their local department of social services (LDSS). These child support payments can exceed \$1,000 per month, an insurmountable amount for many families. Parents that cannot make these payments may be forced to withdraw from the VPA process, blocking their children from a higher level of care when they need it the most.

As you are aware for many years, we have discussed the challenges of placing adolescents with developmental disabilities or mental illness in proper facilities with the medically-necessary support for their acuity level, often leaving them to languish in hospitals for days, weeks, and even months at a time.

Current VPA requirements and policies have created significant barriers for families seeking medically necessary treatment for their children.



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As such, some families feel they have no choice but to relinquish full custody of their children to the State in order to access the essential treatment they need. Families should not feel the need to make these barbaric decisions in pursuit of their child's well-being.

HB 1181 streamlines the VPA process and strengthens transparency. The bill clarifies that a child may qualify for residential placement through a VPA when the family has made "reasonable efforts" to prevent an out-of-home placement. This eliminates the misconception that families must exhaust every home and community-based service before seeking a VPA for residential treatment center placement.

Additionally, the VPA request timeline is clearly defined: LDSSs must schedule an assessment meeting within 5 business days after receiving a VPA request and must provide families with a written eligibility decision within 5 business days after the assessment meeting.

HB1181 also removes barriers to necessary care. The bill requires DHS and the Child Support Enforcement Administration to work together to establish criteria in which the child support obligations can be reduced or waived for low-income families participating in a VPA. Education funding for Medicaid-eligible RTC placements will shift from DHS to MDH, enabling parents to access psychiatric residential treatment for their child without relinquishing physical custody or incurring child support payments.

Expediting the VPA process and removing unnecessary financial obstacles will allow VPAs to better achieve their purpose – connecting children with the care they need to feel safe. I respectfully request a favorable report on House Bill 1181.