



Maryland  
Hospital Association

## **House Bill 1181- Family Law - Children in Out-of-Home Placement - Voluntary Placement Agreements**

**Position: *Support***

March 3, 2026

House Appropriations Committee

### **MHA Position**

On behalf of the Maryland Hospital Association's (MHA) member hospitals and health systems, we appreciate the opportunity to comment in support of House Bill 1181.

This legislation addresses the urgent crisis of pediatric hospital overstays by enacting clear, enforceable timelines to assess and determine eligibility for voluntary placement agreements (VPA). HB 1181 would provide meaningful, measurable improvements in timely care for Maryland's most vulnerable children.

To the best of our knowledge, according to the Maryland Department of Health (MDH), Maryland Department of Human Services (DHS), and MHA data, as of Jan. 31, 2026, 17 of the 33 youth experiencing a pediatric hospital overstay were pending a VPA. Most of these youth were waiting for placement or a bed to become available in a residential treatment center (RTC). The VPA process is a significant contributor to prolonged lengths of stay, beyond medical necessity. HB 1181 seeks to rectify this problem.

In 2022, the General Assembly also took an important step to address this by authorizing Local Behavioral Health Authorities to approve education funding for children enrolled in Medicaid, who need care in an RTC. This legislation was significant because the VPA process was created as a payment mechanism to cover the education expenses for these children. However, because there has not been a transition of this function from DHS to the Local Behavioral Health Authorities, the intended benefits of that reform have not been realized. Unfortunately, because DHS is involved in the process, these children enter the child welfare system for the sole reason of accessing behavioral health treatment and having their education expenses covered. This is unnecessary and contributes to the lengthy and burdensome process. HB 1181 reinforces this significant change to ensure the law is implemented.

After youth are medically cleared for discharge from the hospital, they can linger if they are waiting for a placement to be identified or if a placement has been identified but a bed is not available. When youth are in hospitals, the sense of urgency to find an appropriate placement can fade and delays can be prolonged. HB 1181 would establish clear, enforceable timelines that define exactly what entity is responsible for each step in the process and when that step must be completed. This brings long-overdue accountability to a system that has suffered from ambiguity and delay in the past.

We appreciate Chair Bagnall bringing this critical legislation forward and believe it will make a significant difference for youth living in hospitals when they no longer need acute medical care.

For these reasons, we request a favorable report on HB 1181.

For more information, please contact:

Jane Krienke, Assistant Vice President, Government Affairs & Policy

[Jkrienke@mhaonline.org](mailto:Jkrienke@mhaonline.org)