



DEPARTMENT OF HUMAN SERVICES

Wes Moore, Governor · Aruna Miller, Lt. Governor · Gloria Brown Burnett, Interim Secretary

March 3, 2026

The Honorable Ben Barnes, Chair
House Appropriations Committee
120 Taylor House Office Building
Annapolis, Maryland 21401

RE: TESTIMONY ON HB1559 - CHILDREN IN UNLICENSED SETTINGS AND PEDIATRIC HOSPITAL OVERSTAY PATIENTS - PLACEMENT - POSITION: FAVORABLE WITH AMENDMENTS

Dear Chair Barnes and Members of the Appropriations Committee:

The Maryland Department of Human Services (DHS) thanks the Committee for its consideration and respectfully requests a favorable report with our requested amendments on House Bill 1559 (HB 1559).

HB 1559 supports and enhances DHS's commitment to youth and families. In partnership with our sister agencies, we are proposing changes that strengthen the intent of the bill without compromising any of the core principals.

With offices in every one of Maryland's jurisdictions, DHS provides preventative and supportive services, economic assistance, and meaningful connections to employment development and career opportunities to assist Marylanders in reaching their full potential. Our Social Services Administration (SSA) implements the Child and Family Well-Being program which is affected by HB 1559. This legislation prohibits foster youth stays in unlicensed settings, including hotels, homeless shelters, office buildings, and some non-residential environments in Maryland's Out-of-Home Placement (OOH) program. It also increases oversight of pediatric hospital overstay patients and establishes new programs that meaningfully impact the Department's implementation of existing programs.

Under the Moore-Miller Administration, DHS remains steadfast in our commitment to ending the use of unlicensed settings for youth in our care. Beginning with the 2024 legislative session, we introduced a bill to reform how residential care providers are paid that expanded capacity for youth whose needs require intensive services or more restrictive settings. Also in 2024, we expanded options for placement in the least

restrictive family like settings by passing a bill that prioritizes placement with kin when a child requires out-of-home care. Further, we amended our contracts with children's attorneys reminding them that, under Maryland's legal ethics rules, they may not advocate for youth to stay in an unlawful setting. With these structural placement improvements operational, then-Secretary Rafael López issued a [directive](#) on October 22, 2025, mandating that all 24 local departments immediately cease facilitating stays in unlicensed settings. While we made significant progress, our work is not yet finished. HB 1559 will institutionalize existing policy and improve upon largely existing inter-agency collaboration that is necessary to eliminate unlicensed placements and fulfill the Moore-Miller Administration's vision.

A primary challenge in resolving pediatric hospital overstays is the unique and complex needs of individual youth. Existing residential programs are unable to immediately meet all of a particular youth's behavioral health and medical needs. In addition, youth and their families are frequently served by different or multiple state systems. DHS currently operates an Interagency Planning Committee that coordinates care for youth with high-intensity behavioral health and medical needs. HB 1559 enhances our existing framework by:

- Establishing the Child and Youth Placement Review Panel and Rapid Response Placement Teams to provide immediate, high-level intervention for youth in hospitals or unlicensed settings.
- Creating a Placement Manager role within the Governor's Office for Children to streamline cross-agency decision-making.
- Formalizing the Interagency Council on Children, Youth, and Families to address statewide residential care capacity and real-time data tracking.

Outlined on page four of this testimony are friendly amendments we believe will enable smooth implementation of HB 1559. All of our amendments, the language of which is being finalized in discussions with the Speaker's Office, are recommended in partnership with the Interagency Planning Committee. Our amendments propose to:

- Clarify the definition of unlicensed settings; and
- Clarify the definition of a "child in an unlicensed setting" to include "an individual under the age of 22 years in the care and custody of DHS;" and
- Upgrade the new Placement Manager position within GOC to a Senior Advisor.

Changes to new Child and Youth Placement Review Panel (CYPRP)

- Require monthly meetings; and
- MDH and DHS serve as co-chairs instead of the Placement Manager; and
- Change membership structure facilitating rapid response, collaborative intent, and limiting access to youth's private health and confidential human services information.

Changes to new Rapid Response Placement Team (RRPT)

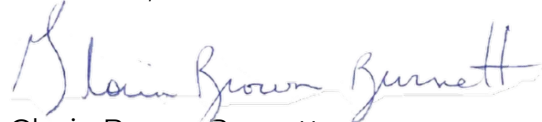
- Organize the RRPT as a subcommittee of, and report up to the CYPRP; and
- The DHS and MDH overstay coordinators serve as co-chairs; and
- Clarifying the 72 hour timeline for response; and
- Rescind the placement team's authority to override local department placement decisions; and
- Alter the required meeting cadence of the placement team from every day to weekly.

Changes to Advisory Council on Maryland's System of Care for Children, Youth, and Families (ACSCYF) and the Interagency Council on Children, Youth, and Families (ICCYF)

- The activities of the ACSCYF would be subsumed into the ICCYF; and
- Require the ICCYF to consult with external stakeholders; and
- Remove the responsibility for the ICCYF to help organizations apply for funding; and
- The ICCYF would submit an interim report on the progress of the interagency council on 1/1/27, and a final report on 1/1/28, rather than an annual report; and
- The ICCYF would conduct a study on the data and surveillance provisions, rather than immediately implementing these provisions, as these recommendations would likely carry additional costs.

We appreciate the opportunity to offer favorable with amendments testimony to the Committee for consideration during your deliberations. DHS looks forward to continuing our work with the Speaker's Office on language to amend this important legislation. If you require additional information, please contact Justin Hayes, Acting Director of Government Affairs, at justin.hayes1@maryland.gov.

In service,



Gloria Brown Burnett
Interim Secretary