



DEPARTMENT OF HEALTH

Wes Moore, Governor · Aruna Miller, Lt. Governor · Meena Seshamani, M.D., Ph.D., Secretary

April 3, 2026

The Honorable William C. Smith, Jr.
Chair, Judicial Proceedings
2 East Miller Senate Office Building
Annapolis, Maryland 21401

RE: House Bill 1181—Family Law - Children in Out-of-Home Placement - Voluntary Placement Agreements—Letter of Support as Amended

Dear Chair Smith and Committee Members:

The Maryland Department of Health (the Department) respectfully submits this letter of support as amended for House Bill (HB) 1181 - Family Law - Children in Out-of-Home Placement - Voluntary Placement Agreements (VPAs). The bill as amended would require the Department to consult with the Department of Human Services (DHS) to provide annual training for each local department, including on compliance, interagency collaboration, and trauma-informed family engagement. Additionally, the Local Behavioral Health Authority will be notified of a child with special needs who is the subject of a VPA request for psychiatric residential treatment and is eligible to receive Medical Assistance.

VPAs are a binding agreement between parents or legal guardians and the State child welfare agency (here, DHS). DHS assumes custody of the child for a specified period of time to access residential treatment, typically after a family has determined that they do not have or have exhausted commercial coverage for such services. Children who are voluntarily placed and are eligible for Title IV-E automatically become eligible for Medicaid (42 CFR 435.135). Federal foster care payment (Title IV-E) for the children under voluntary placement agreements may not exceed 180 days unless there has been a judicial determination that such placement is in the best interest of the child (42 USC §§ 672(d)-(g)).

As part of its plan to implement the Family First Prevention Services Act (FFPSA), DHS already submitted a federally approved plan which included identifying families with complex behavioral health needs as “children at imminent risk of entering foster care,” noting that “children’s behavior is a factor in approximately 15% of entries into foster care and voluntary placements.”¹ In addition, DHS and the Department have already partnered on work to address the needs of young people with complex behavioral health needs through the Quality Services Reform Initiative (QSRI), which sought to develop new rates for residential child care, child

¹ Maryland Department of Human Services. (2020). Maryland’s Title IV-E Prevention Program.

https://dhs.maryland.gov/documents/Data%20and%20Reports/SSA/MD%20Title%20IV-E%20State%20Plan/6541/Title%20IV-E%20Letter%20Prevention%20Plan_Full_v2.pdf

placing agencies, and some evidence-based practices to better leverage Medicaid and Title IV-E funds for direct care and clinical services to first ameliorate and then eliminate the need for voluntary placement agreements. The Department will continue to work collaboratively with DHS and partners to implement QSRI.

If you would like to discuss this further, please do not hesitate to contact Meghan Lynch, Director of Government Affairs at meghan.lynch@maryland.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Meena Seshamani', with a stylized flourish at the end.

Meena Seshamani, M.D., Ph.D.
Secretary of Health