

Senate Finance Committee

Senator Pamela Beidle, Chair
Senator Antonio Hayes, Vice-Chair

Wednesday, January 28, 2026

Agenda

12:00 p.m.

Briefing on SNAP and the Workgroup on Children in Unlicensed Settings and Pediatric Hospital Overstays

I. SNAP Update

Maryland Department of Human Services

- Webster Ye, Chief of Staff
- Larry Handerhan, Assistant Secretary for Programs

II. Update on the Workgroup on Children in Unlicensed Settings and Pediatric Hospital Overstays

Maryland Department of Human Services

- Stephen Liggett-Creel, Senior Advisor to the Secretary of Human Services
- Webster Ye, Chief of Staff

Maryland Department of Health

- Sonia Chessen, Senior Advisor to the Secretary of Health

Workgroup on Children in Unlicensed Settings and Pediatric Hospital Overstays

- Laura Edwards (Chair), State Director, Maryland Court Appointed Special Advocates
- Erica LeMon, Advocacy Director for Children's Rights, Maryland Legal Aid
- Robert Basler, Associate Vice President, Arrow Child and Family Ministries
- Jane Krienke, Assistant Vice President, Government Affairs & Policy, Maryland Hospital Association
- Krystal Williams, Assistant Public Defender, Office of the Public Defender
- Edward "Ted" Gallo, Executive Director, Maryland State Council on Child Abuse and Neglect



**H.R. 1 (2025) Impact on Marylanders:
Supplemental Nutrition Assistance
Program (SNAP)**

Senate Finance Committee
January 28, 2026

Background

SNAP is vital to America's social safety net. It makes sure families can put food on their tables when they're struggling financially.

SNAP serves over **680,000 Marylanders**, including:

- 262,248 **children**
- 128,705 **people with disabilities**
- 121,615 **seniors**
- 28,843 **unhoused persons**

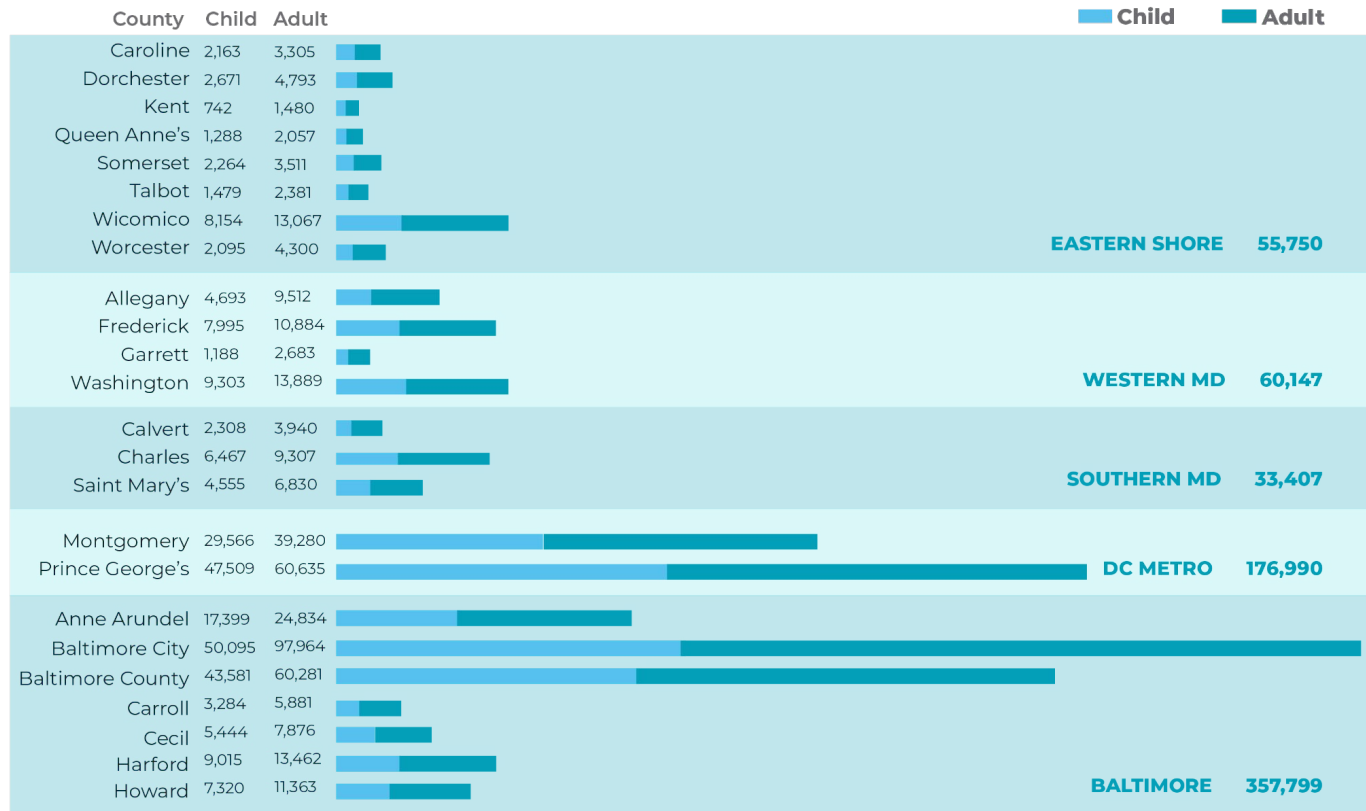
As of May 2025

\$1.6 Billion: total SNAP benefits issued annually to Marylanders

\$180: average monthly SNAP benefit per person

Before H.R.1, SNAP benefits were 100% federally funded and administrative costs were split 50/50 between the federal government and the states.

SNAP Customers Served Monthly Average



Total Served

Child **270,578**

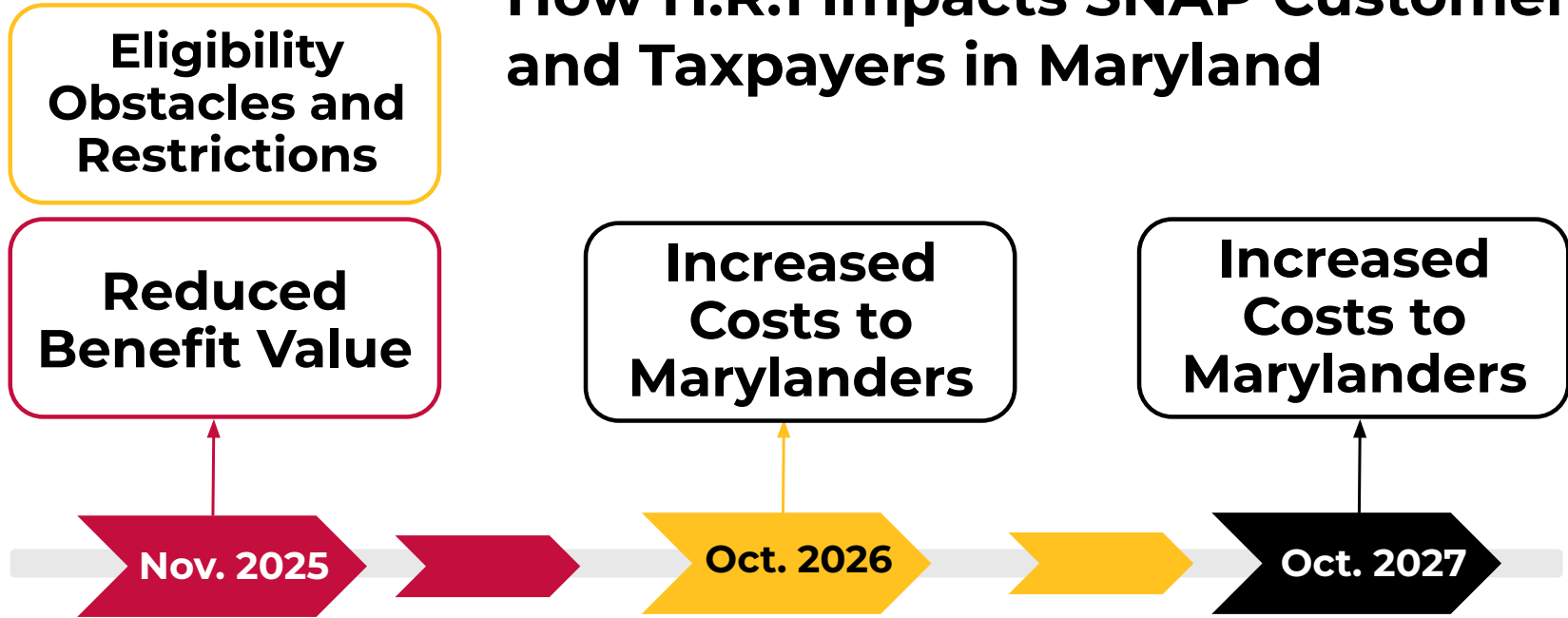
Adult **413,515**

Totals represent monthly average customers served in State Fiscal Year 2025 to date (July 2024 - April 2025). Children are age 0-17.

Federal Shutdown Impact on SNAP

- The Trump Administration stopped funding SNAP on November 1, 2025
 - Maryland stepped in to fill the gap:
 - The Moore-Miller Administration announced a \$10 million emergency grant to support Maryland's food banks and community food pantries.
 - The Moore-Miller Administration made \$62 million available to make SNAP customers whole following a federal judge's order that the federal government provide contingency funding for the program.
 - On November 13, the federal shutdown ended and the federal government began funding all SNAP benefits again.
 - Maryland rapidly restored SNAP benefits issuance by November 18th.
- 

How H.R.1 Impacts SNAP Customers and Taxpayers in Maryland




H.R. 1 SNAP Changes Currently In Place

As of November 1, Maryland implemented the following required provisions of H.R. 1:

- Expanded ABAWD work requirements are in effect;
- Most refugees and people granted asylum are no longer eligible for SNAP unless they are also Lawful Permanent Residents; and
- Households without an elderly or disabled member no longer automatically receive the Standard Utility Allowance.

New applicants are immediately subject to these restrictions and requirements.

Current participants will feel the effects of these provisions in the months ahead as they recertify their eligibility for SNAP on a rolling basis.



Expanded ABAWD Work Requirements

- H.R. 1 subjects up to 80,000 additional Marylanders to ABAWD work requirements, including:
 - Adults aged 55-64;
 - Adults 18-64 who do not have a child younger than 14 in the home;
 - Veterans, homeless individuals, and former foster youth up to age 24 who aged out of care.



Expanded ABAWD Work Requirements (Continued)

- ABAWDs must be working, volunteering, or in an employment & training program for 20 hours per week. In most cases, education does not count.
 - Because of how the law is written, someone working at the MD minimum wage needs to work 14.5 hours per week to meet the requirement.
- ABAWDs not meeting this requirement can only receive SNAP for 3 months in any 36-month period.



Expanded ABAWD Work Requirements (Continued)

- The table below shows how H.R. 1 expanded the universe of who is considered an ABAWD. Our initial estimates indicate **up to 80,000 Marylanders** will be newly considered ABAWDs.

Pre-H.R.1 ABAWDs	Post-H.R.1 ABAWDs
Adults 18-54 who do not have a child under 18 in the house	Adults 18-64 who do not have a child under 14 in the house
Veterans, homeless individuals, and former foster youth under age 24 who aged out of care are exempted	Veterans, homeless individuals, and former foster youth under age 24 who aged out of care are NOT exempted
People who are disabled, who are in an alcohol or drug treatment program, or who are “mentally or physically unfit for employment” are exempted	

Reduced Benefit Value

Households without an elderly or disabled member no longer automatically receive the Standard Utility Allowance (SUA)

- Marylanders were previously eligible for higher SNAP benefits through a \$557 SUA because they received an energy assistance payment.
- H.R.1 eliminated this flexibility for households without an elderly or disabled member. Some SNAP households will still qualify for the SUA, but will have to provide additional documentation to verify their eligibility.
- This change means **thousands of Marylanders will need to jump through additional hoops to avoid seeing lower SNAP benefit amounts each month.**



Eligibility Obstacles and Restrictions

H.R.1 **removes SNAP eligibility from refugees and people granted asylum** unless they are also Lawful Permanent Residents (green card holders), Cuban or Haitian entrants, or individuals from the Federated States of Micronesia and the Republic of the Marshall Islands.

On 12/9, FNS issued updated guidance on immigrant eligibility that clarifies refugees and asylees are not subject to the 5-year bar on Lawful Permanent Residents receiving benefits; therefore, these groups will be eligible for SNAP immediately upon converting to LPR status (i.e. getting a green card). Maryland joined multi-state litigation on FNS guidance issued 10/31 that resulted in the corrected 12/9 guidance.

As of January 23, 2026, we have made MD Benefits system improvements to more accurately capture immigration status to help us implement these new federal requirements.



Increased Costs to Marylanders

The **state's share of SNAP administrative costs will rise** due to H.R. 1's federal cost sharing from 50% to 75% beginning October 1, 2026 (Q2, SFY27).

- Maryland currently spends approximately \$115 million in General Funds to administer SNAP.
- For SFY27, we estimate the impact to be an additional \$43.1 million, for a new state total of \$158.1 million in General Funds.
- This **does not** include additional funds needed for staffing, IT, employment and training, and other resources needed to comply with more onerous federal requirements from H.R. 1.



Increased Costs to Marylanders

Before H.R. 1, the federal government paid 100% of SNAP benefits. New provisions will require Maryland to pay a portion of benefit costs based on our Payment Error Rate (PER).

- On Oct. 1, 2027 **Maryland could be responsible for 15% of benefit costs, or \$240 million** in SNAP benefits based on $PER \geq 10\%$.
- Our current federally assessed FFY24 PER is 13.64%. The final cost share amount will be based on our FFY25 or FFY26 PER.

Benefit Cost Share Formula

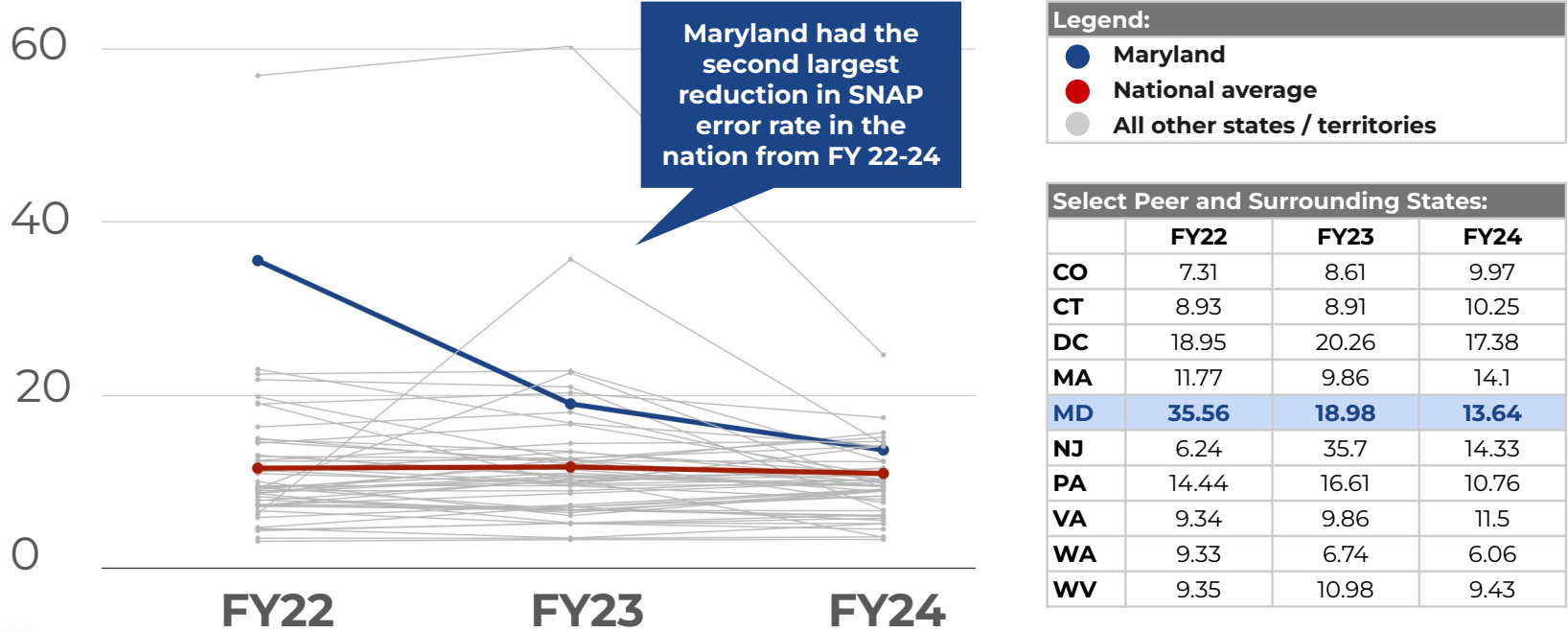
$PER < 6\%$	0% state match
$PER \geq 6\%$ but $< 8\%$	5% state match
$PER \geq 8$ but $< 10\%$	10% state match
$PER \geq 10\%$	15% state match



SNAP Payment Error Rate (PER)

- The SNAP Payment Error Rate (PER) is a federal measure of how accurately states determine eligibility and benefit amounts by checking the number of under or overpayments.
 - Underpayments: when a household receives less benefits than they are entitled to
 - Overpayments: when a household receives more benefits than they are entitled to
- The SNAP PER is **not a measure of customer fraud**, nor is it a measure of state fraud, waste, or abuse.
- The Payment Error Rate is a quality control check on a state agency's administrative processes.

Maryland's SNAP Payment Error Rate



Source: US Department of Agriculture, Food and Nutrition Service, SNAP Payment Error Rates, <https://www.fns.usda.gov/snap/qc/per>.

Payment Error Rate: What we know

- DHS is committed to effectively and equitably distributing federal assistance benefits to all eligible Marylanders
- We have been proactively implementing measures to drive down error rate since 2023.
 - When the Moore-Miller Administration came into office, we inherited a **35.56%** SNAP Payment Error Rate, the second-highest in the nation. We've cut the rate by more than **60%**, down to **13.64%**.
- Key drivers of error rate include:
 - Staff caseloads & turnover
 - System issues
 - Changes in federal policy

Payment Error Rate: What We Know (FFY 2024)

SNAP Caseload

Average Total Households	382,044
Average Total Recipients	694,393

Quality Control Sample Data

Total Sampled Cases	1,143
Total Error Cases	146
Total Dollar Value of Errors	\$33,663
Average Error Amount	\$231
Lowest Error Amount	\$13
Highest Error Amount	\$797

Note: Maryland's FFY2023 error rate was derived from a random sampling. This information was used by the USDA to calculate that figure.

Total Overpayment (Statistical Sample)	91
Total Dollar Value of Errors	\$22,385
Average Error Amount	\$246
Lowest Error Amount	\$13
Highest Error Amount	\$789

Total Underpayment (Statistical Sample)	55
Total Dollar Value of Errors	\$11,278
Average Error Amount	\$205
Lowest Error Amount	\$58
Highest Error Amount	\$797


Payment Error Rate: What We Are Doing

Rebuilding the state human services workforce

- Since January 2023, DHS hired nearly 200 new Family Investment caseworkers and supervisors statewide, reducing our vacancy rate by almost three quarters from a peak of 19.4% in April 2022 to 4.28% on January 16, 2026.
- We are focused on continuous hiring to fill every vacancy, and iterative, statewide, consistent training to ensure that all of our staff have the latest information.


Payment Error Rate: What We Are Doing (Continued)

Leveraging technology to reduce administrative burden and improve training

- We are rolling out AI-powered interactive trainings specifically for H.R. 1 changes, including knowledge checks, providing real-life scenarios for caseworkers to practice applying H.R.1 changes for new and existing customers.
 - We are automating select functions (such as no-change periodic reports) to free up staff time for work that cannot be automated.
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Payment Error Rate: What We Are Doing (Continued)

Addressing changes in federal policy

- Implementing the National Accuracy Clearinghouse (NAC), a new nationwide data-comparison system that prevents people from receiving SNAP benefits in more than one state simultaneously.
 - Partnering with organizations such as Georgetown University, Code for America, U.S. Digital Response, Maryland Benefits to deploy technology solutions implementing HR1 while reducing errors that result from change.
 - Leveraging a performance improvement consulting services contract with BerryDunn.
- 

H.R.1 Implementation Approach

Our mission is to **minimize harm** and **preserve lawful benefit access** as we implement this new federal law.

- **Preserve Access:** We will use every tool available to prevent procedural terminations and keep eligible Marylanders connected to benefits.
- **Be Human-Centered:** Building user-friendly tools and using plain language, focusing on the real-world impacts on our clients.
- **Build Practical Solutions:** Creating practical, data-driven solutions—like cross-agency workgroups—to reduce administrative burden.
- **Work in Partnership:** Working transparently with sister agencies and stakeholders to co-design strategies for the challenges ahead.

DHS Strategies to Minimize Harm & Preserve Lawful Benefit Access

- Launched mobile-friendly **Maryland Benefits One Application** to more easily apply for benefits.
- Expanded our **SNAP E&T partner network** from 30 to 48 organizations to support customers and increasing our overall funding by 19%.
- Created a **new ABAWD screening tool** to easily identify exemptions for customers who qualify, and communicate with community orgs and advocates to help explain changes to customers and ensure exemptions are correctly applied.
- Developed a [new webpage](#) as a central hub for all H.R. 1 information.

DHS Strategies to Minimize Harm & Preserve Lawful Benefit Access (Continued)

- Received a grant from the Public Benefits Innovation Fund (PBIF) to **leverage AI and other tools to improve the customer experience.**
- Working with the Maryland Health Care Commission (MHCC) to **use diagnostic data to automatically identify and exempt customers** from the ABAWD requirements based on their medical conditions.
- We are partnering with MD Labor, CBOs, MDOA, and philanthropic partners to expand access to education and training opportunities for ABAWDs.

Additional Resources

- [DHS H.R.1 resource portal](#)
- SNAP [Employment & Training resource page](#)
- Emergency food resources: [The Maryland Food Bank](#) and [Capital Area Food Bank](#), as well as [211 Maryland](#) with customers seeking help finding food.

We encourage Marylanders to continue to update their information, check their eligibility, and apply for help at [MarylandBenefits.gov](https://www.MarylandBenefits.gov).

Marylanders with questions are invited to call our Customer Service hotline 1-800-332-6347. For TTY, dial the Maryland Relay Service: 800-735-2258.

Children in Unlicensed Settings Pediatric Hospital Overstays

**Senate Finance Committee Briefing
January 28, 2026**



Overview

- The safety and well-being of Maryland's children are our highest priorities. We envision a Maryland where all children are safe from abuse and neglect, thriving in permanent homes, and surrounded by loving families.
- As of January 26, 2026, there are 3,768 youth in DHS out-of-home care in Maryland.
 - There are no DHS youth in a hotel or other unlicensed setting.
 - As of January 8, 2026, there were seven youth in DHS care and custody experiencing a hospital overstay; a 65% reduction from January 8, 2025, when 20 youth experienced a hospital overstay.
- All placement decisions must align with permanency planning principles and ensure that youth are placed in the least restrictive, most family-like setting appropriate to their needs.

Placement Hierarchy

All out-of-home youth placement decisions must comply with our placement hierarchy, prioritizing:

1. **Kinship Care** – relatives and family connections by blood or by choice;
2. **Local department of social services (LDSS)-Licensed Foster Homes** – approved LDSS foster families;
3. **Private Treatment Foster Care (TFC) Homes** – contracted Child Placement Agency (CPA) foster homes;
4. **Congregate Care Settings** – including group homes, diagnostic programs, and shelter placements; and
5. **Independent Living Programs or Housing Vouchers** – Family Unification Program vouchers, Foster Youth to Independence housing vouchers, and New Futures Subsidy Program.
6. **Trial Home Visit** – child resides with parents or legal guardian once reunification is ready to be achieved.

What We Found (2023)

1. Lack of communication and coordination with placement providers, hospitals, and DHS offices.
2. Placement provider reluctance, individualized contracts, and service expectations that supported rejecting youth for placement.
3. Inconsistent practices by our team statewide.

What We Did (2024-2025)

1. **Increased communication:**

- a. All hospitals and providers are more consistently using 211, press 4, to alert us when a youth is in pediatric hospital overstay status;
- b. Built a statewide tracking tool for all hospitalized youth in DHS care and custody;
- c. We began weekly meetings statewide to review individual cases, address placement and treatment needs, and identify potential placements before discharge; and
- d. Hired, along with MDH, a hospital liaison whose sole purpose is to coordinate and communicate with all hospitals.

2. **Placement provider rate reform** implemented in state fiscal year (FY) 2025 shifting to a category based rate structure to develop innovative programming for youth with complex needs.

3. **Commissioned Chapin Hall** to complete a placement needs assessment using quantitative and qualitative methods, and make recommendations.

Chapin Hall Recommendations

- 1.** Reduce or eliminate the use of external tracking forms (e.g., spreadsheets outside of Child, Juvenile, and Adult Management System (CJAMS)) by updating CJAMS to accommodate this information.
- 2.** Establish a Placement Review Panel to address the complex challenges for children experiencing placement disruption, hospital overstays, hotel stays, and office stays.
- 3.** Support placement efforts that collaborate with caseworkers, providers, and other stakeholders to expedite placement finding and ensure alignment with the child's needs and preferences.

Chapin Hall Recommendations (Continued)

- 4.** Establish recommendations to address recurring issues, such as provider accountability, resource gaps, and systemic barriers and expand specialized placement options.
- 5.** Increase caseworker training to contextualize youth behaviors as communication of unmet needs rather than pathologizing such actions
- 6.** Prioritize placement settings for youth aged 14–17 and those with complex behavioral or psychological needs.
- 7.** Conduct regular needs assessments to adapt strategies on emerging trends and challenges.

Where We Are Going (2026)

1. Further refine our statewide tracking tool
 - a. We will iterate on our 2025 policies on reporting, documentation, and tracking of youth in unlicensed settings and pediatric hospital overstays;
2. Further support placement provider capacity to accept youth with complex needs;
3. Institute placement case coordination; and
4. Further inter-agency and inter-hospital case consultation.

Placement Provider Capacity

We expanded our placement provider capacity in 2025 and continued our reset of expectations with placement providers:

1. Placed over 260 youth with kin caregivers, whether by blood or by choice. The number of youth living with kin increased by approximately 10% since the kinship care law took effect in October 2024.
2. Implemented part 1 of our placement provider rate reform work through the approval of new category-based rate 'classes' in the FY2025 budget.
3. Received approval of new child placement agency (CPA) provider contracts which increased our CPA beds by 92 (4.8%) from 1,921 to 2,013 beds.
4. Are on track to bring residential child care provider contracts to the Board of Public Works in Spring 2026.

Placement Provider Capacity (Continued)

New Category/Class-Based Rate Classes

Class	Description	Total Per Diem Rate
0	Pre-QRTP (No Clinical Services)	\$446.46
99	I/DD Legacy Program (No Clinical Services)	\$624.85
1	Serve Youth with Significant Behavioral Health Service Needs (6+ Beds)	\$762.08
1b	Serve Youth with Significant Behavioral Health Service Needs (5 or Fewer Beds)	\$832.43
2	Serve Youth with Intensive or Specialty Behavioral Health Service Needs (6+ Beds)	\$919.41
2b	Serve Youth with Intensive or Specialty Behavioral Health Service Needs (5 or Fewer Beds)	\$1,016.14
3	Serve Youth with High Intensity I/DD Service Needs (No Behavioral Health Services)	\$1,353.16
4	Serve Youth Needing High Intensity Medically Fragile Services	\$1,629.00
5	Serve Youth Who Have Experienced/At-Risk for Commercial Sexual Exploitation	\$2,056.56
6	Serve Youth with the Highest Intensity Behavioral Health and Intensive I/DD Service Needs	\$2,162.79

MD Department of Health Overview

In 2025, MDH

- a. Established the **Brook Lane Step Down Pilot Program**;
- b. **Launched 211 Press 4** as the single access point for behavioral health care coordination for hospital emergency departments; and
- c. **Implemented Project ECHO** with the Kennedy Krieger Institute.

In 2026, MDH will be

- d. Implementing the **Online Bed Registry, Referral, and Care Traffic Control Platform (BRRS)**, under COMAR 10.21.31. This includes a searchable provider inventory, real-time updates, electronic referral system, crisis support, and CRISP integration.
- e. Amending **1915(i) waivers** to increase utilization;
- f. Reviewing **Residential Treatment Centers' (RTC) Provider Rates**;

Update on Senate Bill 696 (2025) Implementation

1. Section 1: Establish pediatric hospital overstay coordinators: **Done** - both DHS and MDH have established this position and are actively recruiting new Coordinators.
2. Section 2: Workgroup on Children in Unlicensed Settings and Pediatric Hospital Overstays: **Done** - both agencies have provided senior staff participation and data as requested by the workgroup.
3. Section 3: Establish a 5-bed unit at RICA-Gildner: **Ongoing** - MDH and DJS are actively working weekly on housing this unit cooperatively between the Noyes Children's Center and RICA-Gildner. DHS is supporting as needed.



SNAP Payment Error Rate Q & A

July 1, 2025, Current as of January 26, 2026

1. What is the SNAP payment error rate?

The Supplemental Nutrition Assistance Program (SNAP) Payment Error Rate (PER) is a federal measure of how accurately state agencies determine eligibility for the program and the correct benefit amounts by checking the number of under or overpayments. Underpayments are when a household receives less benefits than they are entitled to; overpayments are when a household receives more benefits than they are entitled to.

The federal government compares each state agency's payment error rate with other state agencies and penalizes when state agencies are significantly above (105%) the national average for two consecutive years.

Maryland's [Federal Fiscal Year \(FFY\) 2022 SNAP Payment Error Rate](#) was 35.56 (Total, 32.65 Overpayment, 2.91 Underpayment).

Maryland's [FFY2023 SNAP Payment Error Rate](#) was 18.98 (Total, 15.07 Overpayment, 3.91 Underpayment).

In [FFY 2024, Maryland's Payment Error Rate is 13.64 percent](#) (Total, 8.85 Overpayment, 4.79 Underpayment). The national average SNAP payment error rate for FY 2024 is 10.93 percent.

2. Are SNAP payment errors the result of fraud?

The SNAP Payment Error Rate (PER) is not a measure of fraud by the state agency or program participants. The SNAP PER is a quality control check on a state agency's administrative processes.

3. Does Maryland's SNAP payment error rate mean that the state wasted or abused federal resources?

No. During the global COVID-19 pandemic, Maryland prioritized preventing food insecurity and implemented authorized waivers with that in mind. Largely due to

implementing pandemic waivers, food insecurity in Maryland averaged 8.7% during the pandemic, lower than the national average of 10.4%.¹

- Maryland's SNAP program was strained during the COVID-19 pandemic due to high demand and high employee vacancy and turnover within the department. As a result of unusual circumstances beyond the agency's control, team members struggled to process the historically high number of applications and to meet time-consuming federal requirements that were reinstated in 2022 and 2023.
- In February 2022 when staff vacancies peaked at 19.33%, there were 11,800 SNAP applications with a 68% approval rate, and 503,336 cases feeding 881,093 customers.
- About 1,054 program staff were managing the 503,336 SNAP caseload in February 2022. That is fewer staff than before the pandemic (2019) when 1,322 program staff managed an average of 336,928 SNAP cases per month.
- Despite these overlapping challenges, Maryland reduced the SNAP payment error rate by half in our first year in office by moving urgently through decisive action, including:
 - Rebuilding the state government workforce.
 - Turnover between 2020-2022 and an unprecedented surge in SNAP applications (with a 400% increase in April 2020 alone) created high vacancy rates.
 - Since January 2023, we hired over 200 new Family Investment caseworkers and supervisors statewide, reducing our program staff vacancy rate by over 15%.
 - **Our program staff vacancy rate peaked at 19.33% in April 2022. As of May 2025, it is just over 4%.**
 - Taking steps to account for rapid federal guidance changes during the pandemic response.
 - Federal guidance changed frequently throughout the public health emergency resulting in the inconsistent application of SNAP policy.
 - We fixed this problem by submitting corrective actions to USDA to mitigate errors and ensure timely and accurate SNAP payments.

¹ Bread for the World, Maryland Fact Sheet
<https://www.bread.org/wp-content/uploads/2023/01/Maryland.pdf>

- We proactively took accountability for continuous quality improvement.
- Launching a new online state health and human services platform (MDTHINK) in 2020 to improve access to benefits and increased SNAP enrollment during the pandemic.
 - We have since transitioned to a new Eligibility and Enrollment (E&E) data management system on MDTHINK.
 - We fixed system calculation errors causing SNAP payment errors.
 - Since January 2023, we have intentionally focused on addressing over 3,000 previously undiscovered defect tickets.
 - We identified and resolved defects, and enhanced feedback loops between front-line team members and information system teams to identify errors faster to reduce the number of Marylanders negatively impacted.
 - We leveraged technology to make sure E&E works accurately to calculate benefits.

4. What is Maryland’s SNAP payment error rate? What was it previously?

We inherited a [FFY 2022 SNAP payment error rate of 35.56%](#). It was the second highest SNAP payment error rate in the nation. FFY 2022 ended September 30, 2022. The Moore-Miller Administration took office January 18, 2023.

In the first nine months of FFY 2023 we reduced the SNAP payment error rate by nearly half to [18.98%](#).

In FFY 2024 we reduced our payment error rate by an additional 5.34% from FFY 2023 to [13.64%](#).

Since taking office we reduced the SNAP Payment Error rate by almost 2/3 for a total reduction of 21.92%.

For historical context, our FFY 2023 and FFY 2024 data showed:

Note: Maryland’s SNAP PER error rate was derived from a random statistical sampling. This information was used by the USDA to calculate that figure.

SNAP Caseload

	FFY 2023	FFY 2024
Average Total Households	361,814	382,044
Average Total Recipients	661,239	694,393

Total Errors

	FFY 2023	FFY 2024
Total Sampled Cases	1,108	1,143
Total Error Cases	215	146
Total Dollar Value of Errors	\$42,895	\$33,663
Average Error Amount	\$198	\$231
Lowest Error Amount	\$20	\$13
Highest Error Amount	\$1,175	\$797

Overissuances

	FFY 2023	FFY 2024
Total Overissuances	150	91
Total Dollar Value of Errors	\$33,802	\$22,385
Average Error Amount	\$198	\$246
Lowest Error Amount	\$20	\$13
Highest Error Amount	\$1,175	\$789
Total Cases with Open/Pending Claims	40	-
Total Value of Open/Pending Claims	\$52,125	-

Underissuances

	FFY 2023	FFY 2024
Total Underissuances	65	55
Total Dollar Value of Errors	\$9,093	\$11,278
Average Error Amount	\$198	\$205
Lowest Error Amount	\$55	\$58
Highest Error Amount	\$404	\$797

5. What federal government rules changed during the pandemic?

During the pandemic, Congress waived specific requirements and procedures to help state agencies provide more families with the means to purchase nutritious food. Specifically, Maryland implemented the following waivers:

1. We suspended interview requirements at the points of application and redetermination.
2. We did not include Federal Pandemic Unemployment Compensation as income when determining eligibility for SNAP.
3. We waived certain verifications that were difficult to provide during the pandemic, including verifications of stated shelter, income, and child-care expenses.
4. We waived the 6-month renewal periodic report.

6. How does Maryland's SNAP payment error rate compare with other states?

In FFY2022, we had the 52nd SNAP payment error rate of U.S. jurisdictions, with only Alaska behind us. In FFY2023, we cut our payment error rate by half but we were still 47th. As of FFY2024, Maryland was 41st, our SNAP payment error rate of 13.64% is better than nine states (Alaska, DC, Florida, Georgia, Massachusetts, New Jersey, New Mexico, New York, Oregon).

Many states refused the option to waive processes and prevented more people from accessing nutrition benefits during the pandemic crisis. As a result, those states did not implement any changes and had lower SNAP payment error rates. Typically, states that opted to help feed more people during the pandemic had higher payment error rates.

7. What are we doing to improve the SNAP payment error rate?

We hired more team members, prioritized close partnerships with our frontline teams, revamped training, identified information system defects, and moved urgently to address challenges brought to our attention by our frontline team members. We are focused on creating a culture of catching errors and quickly course correcting.

As part of Governor Moore's plan to end childhood poverty in Maryland, we continue to carefully implement changes that increase access to SNAP through state offices, a universal benefits screener, a streamlined benefits application, and through our call center. We are focused on continually decreasing our SNAP payment error rate while making the program more accessible to Marylanders.

8. What sanctions does Maryland face from the USDA?

Maryland's total potential liability for both FFY 2024 and FFY 2023 is \$27,957,820. We are currently appealing the FFY 2023 finding. Additionally, updated SNAP data will be published in June 2026 for FFY2025.

9. What are we doing to ensure our SNAP payment error rate returns to acceptably low levels?

Once the Moore-Miller administration assumed office on January 18, 2023, DHS immediately addressed root causes of the state SNAP payment error rate, including successfully hiring and training new team members and improving the function of the state benefits information system. Since January 2023, we reduced our SNAP payment error rate by two-thirds and will continue driving it downward.

Workgroup on Children in Unlicensed Settings & Pediatric Hospital Overstays: Interim Brief

January 28, 2026



Overview

Workgroup: Initially, the workgroup was to set to convene in June 2025 with a report due in October 2025. Due to delays in obtaining the member appointments, the workgroup convened in October 2025 with a commitment to provide an interim brief in January, with a final report deliverable in April 2026. Due to the death of a child in foster care in an unlicensed setting, and legislative desire to impact Children in Unlicensed Settings & Pediatric Hospital Overstays, the Workgroup provided legislative recommendations ahead of the interim report.

Legislative Charge (Section 2(c)(1)): The Workgroup on Children in Unlicensed Settings and Pediatric Hospital Overstays must:

- (i) Complete an assessment of the number, type, and cost of additional beds and supportive services needed to place all children in pediatric overstays and other unlicensed settings in the least restrictive settings
- (ii) Develop a comprehensive and sustainable resource development plan designed to increase licensed settings and end unlicensed settings and overstays
- (iii) Develop an implementation plan with comprehensive data
- (iv) Determine the anticipated timeline for ending unlicensed placements

Executive Summary

The Workgroup met (October 2025 – present) and established the executive committee, which includes the Chair, (2) Vice Chairs and a Secretary. Sub-groups were established to ensure the top priorities would be met, in a timely manner.

The sub-workgroups include:

- a. Resources and Barriers
- b. Definition, History and Other States
- c. Data and Assessment of Needs
- d. Legislation and Policy

Each sub-workgroup was tasked with providing a preliminary report that provides necessary content to be included in the summary brief and ultimately the final report.

Leveraging the sub-workgroup preliminary reports, the executive committee prepared an interim brief of proposed recommendations, that was distributed the week of January 19, 2026, to Senate Finance Committee Chair Beidle, House Health Committee Chair Bagnall, House Health Committee Vice Chair Cullison and House Appropriations Health and Social Service Subcommittee Chair Shetty. The final report of findings and recommendations will be distributed to the Governor and the General Assembly - April 2026.

Pediatric Hospital Overstay Data

As of Jan. 8, 2026, there were 32 youth experiencing a hospital overstay (excluding infants and youth at the Brook Lane Step Down Program which counts an overstay as greater than 120 days.) These data were compiled by MDH, DHS and DJS as of Jan. 8.

Twenty five of these youth were in inpatient units and seven were in Emergency Departments.

Demographic breakdown of the 32 youth:

- 12 girls
- 20 boys
- Age range from 7 to 20 years, average age 14

Department of Human Services

- 7 youth were in the care and custody of DHS (3 in the Emergency Department, 4 in inpatient units)
- 9 of the youth were pending a Voluntary Placement Agreement
- 5 of the youth and their families were working with DHS
- Total of 21 youth out of the 32 youth were known to DHS

Priorities

1. Expand Behavioral Health & Child Welfare Capacity
2. Ensure State Agency Accountability & Collaboration
3. Improve Data Tracking & Sharing
4. Implement Previously Passed Legislation



Priority 1

Expand Behavioral Health & Child Welfare Capacity

- Fund Quality Service Reform Initiative rate reform
- Implement START or similar model for 24/7 crisis intervention for youth with intellectual disabilities and behavioral health needs
- Fund and expand Mobile Response and Stabilization Services (MRSS)
- Create a state centralized registry of foster homes and group homes
- Increase Medicaid reimbursement for RTC providers, respite and 1915i
- Mandate OPEGA audits of local management board funding priorities
- Ensure annual funding and PINS for state regional institutes for children and adolescents (RICAs) to fully staff these facilities
- Redirect state dollars to fund these recommendations
- Require the State to apply for federal grants to supplement state funds



Priority 2

Ensure State Agency Accountability & Collaboration

- Establish a permanent cross-agency oversight body within Governor's Office of Children (GOC)
- Create Children & Youth State Placement Manager position
- Require monthly Placement Review Panel meetings, while maintaining weekly meetings with care team and legal representation
- Convene Rapid Response Placement Team for overstays > 72 hours
- Create stakeholder oversight body to reviews policies, make recommendations, hold State agencies accountable
- Identify and remove policy loopholes allowing unlicensed placements
- Implement stringent timeline and alert system; Mandate State agency reporting when youth not timely removed from unlicensed settings



Priorities 3 & 4

Priority 3: Improve Data Tracking & Sharing

- Designate central repository within GOC for data collection
- Develop state-mandated standardized data metrics across agencies
- Require daily reporting on youth in unlicensed settings
- Publish quarterly aggregate data reports on youth in unlicensed settings

Priority 4: Implement Previously Passed Legislation

- [HB 1121, Ch. 29](#) (2020) - Mental Health Registry and Referral System
- [HB 766, Ch. 500](#) / [SB 656](#) (2022) - Residential Treatment Centers Education Funding
- [HB 322, Ch. 379](#) / [SB 255, Ch. 378](#) (2023) - Home & Community-Based Services for Children
- [HB 1134, Ch. 853](#) / [SB 403, Ch. 854](#) (2024) - RTC Accreditation Requirements
- [HB 962, Ch. 479](#) / [SB 696, Ch. 480](#) (2025) - Pediatric Hospital Overstay Patients Workgroup



Call to Action

These comprehensive reforms address the root causes of unlicensed placements and pediatric hospital overstays.

Immediate action on these priorities will protect Maryland's most vulnerable children and youth.

APPENDIX

MEMBERS

Children in Unlicensed Settings & Pediatric Hospital Overstays Workgroup Members

Dr. Meena Seshamani, Department of Health (Sonia Chessen, Designee)
Rafael López, Department of Human Services (Stephen Liggett-Creel, Designee)
Betsy Fox Tolentino, Department of Juvenile Services (Maisha Davis, Designee)
Natasha Dartigue, Office of the Public Defender (Krystal Williams, Designee)
Laura Edwards, Maryland CASA Association
Rob Basler, Arrow Child & Families Ministries
Erica LeMon, Maryland Legal Aid
Jane Krienke, Maryland Hospital Association
Sara Hairgrove, Community Behavioral Health Association
Nicole Smith, Maryland Association of Resources for Families and Youth
Leslie Seid Margolis, Disability Rights Maryland
Carrie Etheridge, Sheppard Pratt
Rebecca Seltzer, Maryland Chapter, American Academy of Pediatrics
Jocelyn Route, Representative of a Family of a Child in Foster Care

Work Group Staff: Edward “Ted” Gallo, Executive Director, Maryland State Council on Child Abuse and Neglect (SCCAN)

Work Group and subcommittee meetings were open to the public and media.