Chapter 500

**(House Bill 766)**

AN ACT concerning

**Children – Residential Treatment Centers – Education Funding**

FOR the purpose of authorizing certain core service agencies, local behavioral health authorities, and local addictions authorities to approve certain funding for certain youths' educational costs incurred during admission to residential treatment centers under certain circumstances; and generally relating to certain core service agencies, local behavioral health authorities, and local addictions authorities and certain education funding for youths.

BY repealing and reenacting, without amendments,
Article – Education
Section 8–406
Annotated Code of Maryland
(2018 Replacement Volume and 2021 Supplement)

BY repealing and reenacting, without amendments,
Article – Health – General
Section 7.5–101(a), (g), and (k)
Annotated Code of Maryland
(2019 Replacement Volume and 2021 Supplement)

BY repealing and reenacting, with amendments,
Article – Health – General
Section 10–1202
Annotated Code of Maryland
(2019 Replacement Volume and 2021 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article – Education**

8–406.

(a) In this section, "wraparound services":

(1) Means individualized services, excluding regular school programs or services, that are provided to a child with a disability and the child's family; and

(2) Includes the following services:

(i) Behavioral aide in home;

(ii) Education tutoring;

(iii) Family therapy;

(iv) Medication management;

(v) Respite care;

(vi) Vocational mentoring; and

(vii) Environmental accessibility adaptations.

(b) (1) A child with a disability who needs special education and related services that cannot be provided in a public county, regional, or State program shall be placed in an appropriate nonpublic educational program that offers these services.

(2) A child with a disability who needs special education and related services is eligible for an appropriate nonpublic educational placement under this section if a State or local agency provides documentation that the child cannot attend a public school in the local school system:

(i) Because of the child's home circumstances; or

(ii) Subject to subsection (d)(1) and (2) of this section, because of medical necessity.

(c) (1) The cost of the nonpublic educational program shall be paid by the State and the county in which the child is domiciled in accordance with § 8–415(d) of this subtitle, as appropriate.

(2) Subject to availability of funding in the State budget, for a child who qualifies for a nonpublic educational program under subsection (b)(2) of this section and who requires wraparound services in order to receive special education and related services in the least restrictive environment, the cost of providing the services shall be paid by the State and the county in which the child is domiciled in accordance with § 8–415(d) of this subtitle, if a State or local agency documents that the child's parent or legal guardian is unable to provide the wraparound services.

(d) (1) Payment or reimbursement for a nonpublic program may not be provided if the payment or reimbursement would require an additional contribution from the State under § 8–415(d)(2) of this subtitle unless the Department approves:

(i) The nonpublic program;

(ii) The placement of the child in the program;

(iii) The cost of the program; and

(iv) The amount of payment or reimbursement.

(2) For wraparound services, payment or reimbursement may not be provided in accordance with § 8–415(d) of this subtitle if:

(i) The child is eligible for funding for out–of–state placement of children under departmental regulations; or

(ii) Alternative federal, State, or local funding is available.

(3) Department approval is not required for a nonpublic program if:

(i) The local school system approves the placement of the child in the program; and

(ii) The local school system makes the payment or reimbursement from local funds.

(4) The State Board shall adopt regulations that establish standards and guidelines for approvals required by paragraph (3) of this subsection.

(e) A nonpublic placement recommended by a local school system for approval under subsection (d)(1) of this section shall be approved or disapproved pursuant to the regulations of the State Board. However, the Department may not disapprove a nonpublic placement recommended by a local school system for a child unless the Department provides an appropriate alternative placement in conformity with the regulations of the State Board and applicable federal laws and regulations. The Department may not terminate funding for the last approved nonpublic placement of a child during the pendency of an administrative or judicial review of a recommended placement change.

(f) In addition to meeting the requirements of this subtitle, a local school system seeking nonpublic tuition payment shall obtain funding approval from the local coordinating council and the State Coordinating Council in accordance with departmental regulations.

**Article – Health – General**

7.5–101.

(a) In this title the following words have the meanings indicated.

(g) "Core service agency" means the designated county or multicounty authority that is responsible for planning, managing, and monitoring publicly funded mental health services.

(k) "Local behavioral health authority" means the designated county or multicounty authority that is responsible for planning, managing, and monitoring publicly funded mental health, substance–related disorder, and addictive disorder services.

10–1202.

(a) A core service agency, local addictions authority, or local behavioral health authority shall:

(1) Be an agent of a county or Baltimore City government which may include a local health department;

(2) Unless an exception is requested by an individual county and is granted by the Secretary, serve a county or counties with an estimated population of over 80,000 people;

(3) Either purchase services or provide the services directly;

(4) Annually submit a program plan to the secretaries of the affected State departments for review and to the Director for approval; and

(5) Meet the standards required under this subtitle and, as needed, the rules and regulations set by the Secretary.

(b) A core service agency, local addictions authority, or local behavioral health authority may not be a for–profit entity.

(c) Each core service agency, local addictions authority, or local behavioral health authority shall function under the Secretary's authority.

(d) Once established in a jurisdiction, the core service agency, local addictions authority, or local behavioral health authority shall:

(1) Submit, on an annual basis, a program plan to the Director for approval;

(2) Incorporate in its method of governance a mechanism for the local county mental health advisory committee, local drug and alcohol abuse council, or joint mental health and substance–related committee to serve as the advisory committee to the core service agency, local addictions authority, or local behavioral health authority and, if serving more than 1 unit of government, a method of representation serving those jurisdictions;

(3) Implement guidelines developed by the Director which establish or designate the authority of the local mental health advisory committee, local drug and alcohol abuse council, or joint mental health and substance–related committee to advise and assist in the planning and evaluation of the publicly funded mental health and substance–related disorder services;

(4) In accordance with guidelines developed by the Director, develop planning, management, and accountability mechanisms for the delivery of services including:

(i) Case management;

(ii) Data collection which satisfies the Department's requirements for client tracking and incorporates clear outcome measures to enable the local entity to govern itself and monitor and evaluate the system; and

(iii) A yearly summary which includes at a minimum:

1. Relevant financial statements; and

2. Program evaluation reports which articulate the core service agency's, local addictions authority's, or local behavioral health authority's ability to identify the outcomes of services provided for the target populations and the effects of those services on program planning for the target population;

(5) As an agent of county government, function in any of the following organizational structures:

(i) A unit of county or Baltimore City government;

(ii) A local health department;

(iii) A quasi–public authority; or

(iv) A private, nonprofit corporation;

(6) Be authorized to screen individuals for whom voluntary or involuntary admission is being initiated to determine whether a less restrictive alternative can be provided; **[**and**]**

(7) **SUBJECT TO THE AVAILABILITY OF FUNDING IN THE STATE BUDGET, BE AUTHORIZED TO APPROVE FUNDING FOR A YOUTH'S EDUCATIONAL COSTS INCURRED DURING A RESIDENTIAL TREATMENT CENTER ADMISSION MADE FOR MEDICAL OR PSYCHIATRIC PURPOSES IN ACCORDANCE WITH ITEM (6) OF THIS**

**SUBSECTION IF THE EDUCATIONAL COSTS ARE NOT COVERED UNDER § 8–406 OF THE EDUCATION ARTICLE; AND**

**(8)** Provide clear guidelines to avoid either the appearance or occurrence of conflicts of interest in the direction and operation of the core service agency, local addictions authority, or local behavioral health authority or organizations which provide mental health or substance–related services.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) It is the intent of the General Assembly that general funds be provided in fiscal year ~~2024~~ *2025* and each fiscal year thereafter to the Maryland Department of Health to carry out Section 1 of this Act.

(b) Any general funds appropriated under subsection (a) of this section shall be used for administrative and educational costs under § 10–1202(d)(7) of the Health – General Article, as enacted by Section 1 of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~July~~ *January* 1, ~~2022~~ ~~2023~~ *2024*.

**Enacted under Article II, § 17(c) of the Maryland Constitution, May 29, 2022.**