within the State may not be placed in certain institutions; providing an operative date of July October 1, 1992; and generally relating to the placement of children with disabilities special needs in out of state placements.

BY adding to

Article 49D - Office for Children, Youth, and Families

Section 19.1 to be under the new subtitle "Out-of-State Placement of Children" Annotated Code of Maryland

(1991 Replacement Volume and 1991 Supplement)

Preamble

WHEREAS, During FY 1991, the State placed 719 children with disabilities special needs were in out-of-state institutions at an expected cost of \$39,563,458; and

WHEREAS, Since FY 1989, the number of out-of-state placements has increased 32% and the total cost of out-of-state placements has increased 63%; and

WHEREAS. The State has long expressed a commitment to serving children with disabilities in the least restrictive environment; and

WHEREAS, The State has been stymied in its efforts to place children with disabilities in the least-restrictive environment because of a lack of resources within the State; and

WHEREAS, The State pays out of state providers whatever fee they charge, but pays providers within the State a lesser rate set by the State for specialized foster care, group care, and residential treatment; and

WHEREAS, The State's policy for setting rates has prohibited the adequate development and provision of quality individualized services for children with disabilities within the State; and

WHEREAS, The State's policy for setting rates and process for licensing have discouraged the development of new programs within the State and the expansion of existing programs within the State for children with disabilities; and

WHEREAS, The State has provided quality individualized services within the State for a few some children with disabilities special needs through innovative programs such as the Services Reform Initiative; and

WHEREAS, The State is capable of providing quality individualized services to all children with disabilities if the current impediments for setting rates and getting licensed were removed; and

WHEREAS, It is in the best interest of children with disabilities special needs in this State to have available within the State a continuum of quality community based services; now, therefore,

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