

Audit Report

---

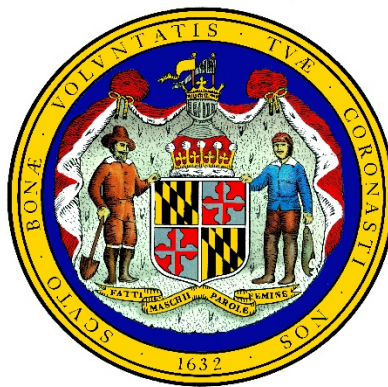
**Maryland Department of Health  
Regulatory Services**

April 2025

---

**Public Notice**

**In compliance with the requirements of the State Government Article Section 2-1224(i), of the Annotated Code of Maryland, the Office of Legislative Audits has redacted cybersecurity findings and related auditee responses from this public report.**



**OFFICE OF LEGISLATIVE AUDITS  
DEPARTMENT OF LEGISLATIVE SERVICES  
MARYLAND GENERAL ASSEMBLY**

### **Joint Audit and Evaluation Committee**

Senator Shelly L. Hettleman (Senate Chair)	Delegate Jared Solomon (House Chair)
Senator Joanne C. Benson	Delegate Steven J. Arentz
Senator Benjamin T. Brooks, Sr.	Delegate Andrea Fletcher Harrison
Senator Paul D. Corderman	Delegate Steven C. Johnson
Senator Katie Fry Hester	Delegate Mary A. Lehman
Senator Cheryl C. Kagan	Delegate David H. Moon
Senator Clarence K. Lam, M.D.	Delegate Julie Palakovich Carr
Senator Cory V. McCray	Delegate Emily K. Shetty
Senator Justin D. Ready	Delegate Stephanie M. Smith
Senator Bryan W. Simonaire	Delegate M. Courtney Watson

### **To Obtain Further Information**

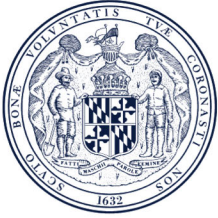
Office of Legislative Audits  
The Warehouse at Camden Yards  
351 West Camden Street, Suite 400  
Baltimore, Maryland 21201  
Phone: 410-946-5900  
Maryland Relay: 711  
TTY: 410-946-5401 · 301-970-5401  
E-mail: [OLAWebmaster@ola.state.md.us](mailto:OLAWebmaster@ola.state.md.us)  
Website: [www.ola.state.md.us](http://www.ola.state.md.us)

### **To Report Fraud**

The Office of Legislative Audits operates a Fraud Hotline to report fraud, waste, or abuse involving State of Maryland government resources. Reports of fraud, waste, or abuse may be communicated anonymously by a toll-free call to 1-877-FRAUD-11, by mail to the Fraud Hotline, c/o Office of Legislative Audits, or through the Office's website.

### **Nondiscrimination Statement**

The Department of Legislative Services does not discriminate on the basis of age, ancestry, color, creed, marital status, national origin, race, religion, gender, gender identity, sexual orientation, or disability in the admission or access to its programs, services, or activities. The Department's Information Officer has been designated to coordinate compliance with the nondiscrimination requirements contained in Section 35.107 of the United States Department of Justice Regulations. Requests for assistance should be directed to the Information Officer at 410-946-5400 or 410-970-5400.



DEPARTMENT OF LEGISLATIVE SERVICES  
OFFICE OF LEGISLATIVE AUDITS  
MARYLAND GENERAL ASSEMBLY

Victoria L. Gruber  
Executive Director

Brian S. Tanen, CPA, CFE  
Legislative Auditor

April 9, 2025

Senator Shelley L. Hettleman, Senate Chair, Joint Audit and Evaluation Committee  
Delegate Jared Solomon, House Chair, Joint Audit and Evaluation Committee  
Members of Joint Audit and Evaluation Committee  
Annapolis, Maryland

Ladies and Gentlemen:

We have conducted a fiscal compliance audit of Regulatory Services, a budgetary unit within the Maryland Department of Health (MDH) for the period beginning September 25, 2019 and ending July 31, 2023. Regulatory Services consists of 22 Health Professional Boards and Commissions (HPBCs) and the Office of Health Care Quality (OHCQ). The various HPBCs and OHCQ are responsible for licensing and regulating health professionals (such as physicians, nurses and pharmacists) and health care facilities in the State. During the audit period, the HPBCs and OHCQ had significant vacancy rates, which may have contributed, at least in part, to the findings in this report.

Our audit disclosed that the Board of Nursing could not document that it investigated and took appropriate action for 259 individuals who may have obtained a nursing license in Maryland using fraudulent credentials, including at least 131 who were employed in a Maryland medical facility as of December 2023. We also found that the Board of Nursing and several other HPBCs did not ensure that complaints against licensees were investigated in a timely manner, a condition repeated in reports dating back to 2017. As of February 2024, 3,051 (62 percent) of the 4,916 open complaints had been open for more than 2 years, the majority of which related to the Board of Nursing. These licensees continue to practice until investigations are completed and any actions deemed necessary are taken.

Our audit also noted that OHCQ had not performed annual inspections for certain assisted living facilities, developmental disabilities service providers, and long-term care facilities, a condition noted in previous reports dating back to 2004. Our audit also disclosed that several HPBCs did not have adequate controls over collections, a condition included in previous reports dating back to 2006. In this

regard, we identified licenses valued at \$47,600 for which the applicable HPBC could not support that the related fees had been received and deposited.

In addition, our audit disclosed that 10 HPBCs did not require criminal background checks as a condition of licensure and/or obtain subsequent alerts of criminal activity committed by licensees. While State law governing other HPBCs required criminal background checks and subsequent alerts, these provisions are not included in the State laws governing the aforementioned 10 HPBCs. State laws and regulations provide that each HPBC may deny licenses to applicants who are convicted of, or plead guilty to, crimes of moral turpitude. Due to the aforementioned condition, the 10 HPBCs were not aware of applicants and/or licensees that were convicted of, or plead guilty to, crimes of moral turpitude.

Furthermore, our audit disclosed cybersecurity-related findings. However, in accordance with the State Government Article, Section 2-1224(i) of the Annotated Code of Maryland, we have redacted the findings from this audit report. Specifically, State law requires the Office of Legislative Audits to redact cybersecurity findings in a manner consistent with auditing best practices before the report is made available to the public. The term “cybersecurity” is defined in the State Finance and Procurement Article, Section 3.5-301(b), and using our professional judgment we have determined that the redacted findings fall under the referenced definition. The specifics of the cybersecurity findings were previously communicated to those parties responsible for acting on our recommendations.

MDH’s response to this audit, on behalf of Regulatory Services, is included as an appendix to this report. Consistent with State law, we have redacted the elements of MDH’s response related to the cybersecurity audit findings. We reviewed the response and noted general agreement to our findings and related recommendations, and while there are other aspects of MDH’s response which will require further clarification, we do not anticipate that these will require the Joint Audit and Evaluation Committee’s attention to resolve.

We wish to acknowledge the cooperation extended to us during the audit by Regulatory Services.

Respectfully submitted,

*Brian S. Tannen*

Brian S. Tannen, CPA, CFE  
Legislative Auditor

## Table of Contents

<b>Background Information</b>	5
Agency Responsibilities	5
Organizational Change	7
Ransomware Security Incident	7
Status of Findings from Preceding Audit Report	7
<b>Findings and Recommendations</b>	9
<b>Investigation of Potentially Fraudulent Nursing Licenses</b>	
Finding 1 – The Board of Nursing could not document that it investigated and took appropriate action for 259 individuals who may have obtained a nursing license in Maryland using fraudulent credentials, including at least 131 who were employed in a Maryland medical facility as of December 2023.	9
<b>Complaint Investigations</b>	
*        Finding 2 – The Health Professional Boards and Commissions (HPBCs) did not ensure that complaints against licensees were investigated timely. Our review disclosed that numerous complaints were not investigated within the required timeframes, including 3,051 open for at least 2 years.	10
<b>Inspections</b>	
*        Finding 3 – The Office of Health Care Quality did not conduct required annual inspections of certain assisted living facilities, developmental disabilities service providers, and long-term care facilities.	12
<b>Cash Receipts</b>	
*        Finding 4 – Controls over collections received and deposited by certain HPBCs were not adequate, and duties related to cash receipts and licensing were not properly segregated.	15
* <b>Denotes item repeated in full or part from preceding audit report</b>	

<b>Criminal Background Checks</b>	
Finding 5 (Policy Issue) – Ten HPBCs did not require criminal background checks when an individual applied to become a licensed health professional and/or obtain subsequent alerts of criminal activity. As a result, several active licensees convicted of crimes of moral turpitude were not identified.	18
<b>Information Systems Security and Control</b>	
Finding 6 – Redacted cybersecurity-related finding.	20
Finding 7 – Redacted cybersecurity-related finding.	20
Finding 8 – Redacted cybersecurity-related finding.	20
Finding 9 – Redacted cybersecurity-related finding.	21
<b>Audit Scope, Objectives, and Methodology</b>	22
<b>Exhibit 1</b> – Listing of Most Recent Office of Legislative Audits Fiscal Compliance Audits of Maryland Department of Health Units as of February 2025	26
<b>Agency Response</b>	Appendix

## Background Information

### Agency Responsibilities

Regulatory Services is a separate budgetary unit within the Maryland Department of Health (MDH) which consists of 22 Health Professional Boards and Commissions (HPBCs) and the Office of Health Care Quality (OHCQ). The various HPBCs are responsible for licensing and regulating approximately 405,500 health professionals (see Figure 1), and OHCQ is responsible for regulating health care facilities in the State.

**Figure 1**  
**Number of Active Licensees as of July 2023**

	Board or Commission	Number of Active Licensees
1	Nursing	235,641
2	Physicians	51,667
3	Pharmacy	32,748
4	Social Worker Examiners	18,608
5	Dental Examiners	15,091
6	Professional Counselors and Therapists	13,016
7	Physical Therapy Examiners	9,225
8	Audiologists, Hearing Aid Dispensers and Speech-Language Pathologists and Music Therapists	5,759
9	Occupational Therapy Practice	4,956
10	Examiners of Phycologists	3,889
11	Massage Therapy Examiners	3,485
12	Dietetic Practice	2,912
13	Morticians and Funeral Directors	2,066
14	Chiropractic Examiners	1,595
15	Acupuncture	1,213
16	Examiners of Optometry	1,011
17	Residential Child Care Administrators	1,002
18	Environmental Health Specialists	620
19	Long-Term Care Administrators	490
20	Podiatric Examiners	485
21	Kidney Disease	N/A
22	Medical Cannabis	N/A
<b>Total</b>		<b>405,479</b>

Source: HPBC records

N/A – These commissions do not license healthcare professionals.

According to the State’s financial records, during fiscal year 2023, expenditures totaled approximately \$75.5 million, with the majority (\$44.8 million) coming from special funds (see Figure 2). As noted in Figure 2, as of June 30, 2023, approximately 11 percent of the total 526 positions were vacant. These vacancies may have contributed, at least in part, to the findings in this report.

**Figure 2**  
**OHCQ, HPBCs, Board of Nursing, and Physicians<sup>1</sup>**  
**Positions, Expenditures, and Funding Sources**

<b>Full Time Equivalent Positions as of June 30, 2023</b>					
	<b>OHCQ</b>	<b>HPBCs</b>	<b>Nursing</b>	<b>Physicians</b>	<b>Percent</b>
Filled	218	125	59	64	88.6%
Vacant	22	20	12	6	11.4%
<b>Total</b>	<b>240</b>	<b>145</b>	<b>71</b>	<b>70</b>	
<b>Fiscal Year 2023 Expenditures</b>					
Salaries, Wages and Fringe Benefits	\$25,809,044	\$14,541,290	\$6,244,251	\$ 7,571,304	71.8%
Technical and Special Fees	701,342	3,823,059	1,018,655	516,988	8.0%
Operating Expenses	2,286,757	7,944,081	2,287,796	2,723,511	20.2%
<b>Total</b>	<b>\$28,797,143</b>	<b>\$26,308,430</b>	<b>\$9,550,702</b>	<b>\$10,811,803</b>	
<b>Fiscal Year 2023 Funding Sources</b>					
General Fund	\$20,109,654	\$ 799,053	\$ 0	\$ 0	27.7%
Special Fund	167,440	24,997,822	8,836,986	10,811,803	59.4%
Federal Fund	8,520,049	0	0	0	11.3%
Reimbursable Fund		511,555	713,716	0	1.6%
<b>Total</b>	<b>\$28,797,143</b>	<b>\$26,308,430</b>	<b>\$9,550,702</b>	<b>\$10,811,803</b>	

Source: State financial and personnel records

<sup>1</sup> Consistent with the Budget Book we have broken out the Board of Nursing and Board of Physicians separately even though they are HPBCs.



## **Organizational Change**

Chapter 254, Laws of Maryland 2023, effective May 3, 2023, created the Maryland Cannabis Administration (MCA) and transferred the administration and management of the Maryland Medical Cannabis Commission (MMCC) to MCA. The activities of MMCC through May 2, 2023 were subject to review during our current audit.

## **Ransomware Security Incident**

In December 2021, MDH experienced a broad security incident resulting from a ransomware attack.<sup>2</sup> This incident affected the entire MDH computer network and disrupted information technology operations for all MDH servers and end user computers, resulting in substantial impact on all MDH business operations, including Regulatory Services. MDH notified the Department of Information Technology's (DoIT) Office of Security Management, which initiated incident response measures. Various other parties were informed of this incident or engaged for recovery efforts. DoIT concluded that no evidence existed indicating that sensitive or regulated information had been improperly acquired.

The incident response measures, and related controls were subject to review as part of our recent audit of the MDH Office of the Secretary and Other Units. This incident did not significantly impact our audit, and we were able to obtain information needed to satisfy our audit objectives and related conclusions.

## **Status of Findings From Preceding Audit Report**

Our audit included a review to determine the status of the seven findings contained in our preceding audit report dated January 19, 2021. See Figure 3 for the results of our review.

---

<sup>2</sup> As defined by the federal Department of Homeland Security's Cybersecurity and Infrastructure Security Agency, ransomware is an ever-evolving form of malware designed to encrypt files on a device, rendering any files and the systems that rely on them unusable. Malicious actors then demand ransom in exchange for decryption.

**Figure 3  
Status of Preceding Findings**

<b>Preceding Finding</b>	<b>Finding Description</b>	<b>Implementation Status</b>
Finding 1	The Board of Nursing and the Board of Professional Counselors and Therapists did not provide sufficient oversight to ensure that complaints against licensees were investigated timely. Our review disclosed that numerous complaints were not investigated within one year.	<b>Repeated</b> (Current Finding 2)
Finding 2	The Office of Health Care Quality did not conduct required annual inspections of all assisted living facilities and developmental disabilities service providers.	<b>Repeated</b> (Current Finding 3)
Finding 3	Controls over collections directly received at and the deposits made by the majority of the HPBCs were not adequate, and duties related to cash receipts and licensing were not properly segregated.	<b>Repeated</b> (Current Finding 4)
Finding 4	Twenty-one HPBCs did not perform documented system access reviews of their licensing system to ensure that user access capabilities were adequately restricted. As a result, numerous users could unilaterally issue or renew licenses, and current or former employees had unnecessary system access.	Status Redacted <sup>3</sup>
Finding 5	Password and account controls for the Board of Nursing and the Board of Pharmacy were not sufficient to properly protect critical data.	Status Redacted <sup>3</sup>
Finding 6	The Board of Dental Examiners did not comply with State procurement regulations when awarding two sole source contracts totaling \$302,000 to a vendor for a new licensing system.	Not Repeated
Finding 7	Consolidation of licensing, procurement, and other fiscal operations to enhance internal controls and maximize efficiencies had not been pursued by the HPBCs.	Not Repeated

---

<sup>3</sup> Specific information on the current status of this cybersecurity-related finding has been redacted from the publicly available report in accordance with State Government Article, Section 2-1224(i) of the Annotated Code of Maryland.

# Findings and Recommendations

## Investigation of Potentially Fraudulent Nursing Licenses

### **Finding 1**

**The Board of Nursing could not document that it investigated and took appropriate action for 259 individuals who may have obtained a nursing license in Maryland using fraudulent credentials, including at least 131 who were employed in a Maryland medical facility as of December 2023.**

### **Analysis**

The Board of Nursing could not document that it investigated and took appropriate action for 259 individuals who may have obtained a nursing license in Maryland using fraudulent credentials. On January 25, 2023, the United States Attorney's Office announced that a joint investigation conducted by the Federal Bureau of Investigation and the Department of Health and Human Services Office of Inspector General (DHHS – OIG) had identified a scheme involving fraudulent nursing degree diplomas and transcripts. These fraudulent credentials were used by numerous individuals to qualify for the national nursing board exam, enabling them to obtain licensure in various states.

DHHS – OIG periodically provided the names of individuals suspected of participating in this scheme to the National Council of State Boards of Nursing<sup>4</sup> (NCSBN). Between September 2022 and October 2023, the DHHS – OIG referred 287 individuals with a Maryland nursing license to NCSBN. We were advised by the Board of Nursing that it obtained the listing of these individuals from the NCSBN and investigated the majority of them.

Our review disclosed that the Board of Nursing could not document that it had investigated 259 of the 287 who still held active Maryland licenses as of February 2024. In this regard, our Data Analytics Unit obtained State wage records from the Maryland Department of Labor between December 2020 and December 2023. Using this data we determined that at least 131 of these 259 individuals were employed by a Maryland medical facility as of December 2023 including six employed at one State-owned facility.

---

<sup>4</sup> NCSBN is an independent, non-profit organization which serves as a collaborative body for state boards of nursing, facilitating communication and action on public health and safety matters. The NCSBN maintains a central repository of the national licensing and disciplinary data.

## **Recommendation 1**

**We recommend that the Board of Nursing**

- a. timely investigate and take appropriate disciplinary action when concerns are identified with eligibility, including the aforementioned 259 licensees;**
- b. refer any individuals who were determined to be improperly licensed to the Office of the Attorney General – Criminal Division and the Governor’s Chief Counsel; and**
- c. retain documentation to support its investigations and related conclusions.**

## **Complaint Investigations**

### **Finding 2**

**The Health Professional Boards and Commissions (HPBCs) did not ensure that complaints against licensees were investigated timely. Our review disclosed that numerous complaints were not investigated within the required timeframes, including 3,051 open for at least 2 years.**

### **Analysis**

The HPBCs did not ensure that investigations of complaints against licensees,<sup>5</sup> were completed timely. In accordance with State law, the Maryland Department of Health (MDH) developed timeframes which ranged from 6 to 18 months for the HPBCs to complete these investigations and determine whether to bring charges with the Office of the Attorney General. Timely resolution of complaints is critical, since licensed individuals are authorized to practice until the investigation is completed.

Our review of the records of the 20 HPBCs that license healthcare professionals, disclosed that as of February 2024, 3,594 of the 4,916 open complaints (or approximately 73 percent) have not been completed timely, including 3,051 (or 62 percent) that had been open for at least 2 years (see Figure 4 on the following page).<sup>6</sup> For example, the Board of Nursing received a complaint in December 2021 related to sexual abuse by a nurse that had not been investigated as of February 2024.

---

<sup>5</sup> The nature of these complaints included allegations of improper billing, malpractice, and physical, sexual, and substance abuse.

<sup>6</sup> Our review did not include closed complaint investigations, which may have identified additional untimely complaint investigations.

**Figure 4**  
**Complaint Investigation Timeframes as of February 2024**

Board or Commission	MDH Investigation Timeframe	Open Complaints		
		Total Open	Open Beyond MDH Timeframe	Open More than 2 Years
Nursing	9 months	3,307	2,543	2,411
Dental Examiners	6 months	458	371	279
Social Worker Examiners	6 months	428	401	261
Professional Counselors and Therapists	6 months	290	200	83
Pharmacy	6 months	82	19	1
Long-Term Care Administrators	6 months	40	33	16
Remaining 14 Boards	6 - 18 months	311	27	0
<b>Total</b>		<b>4,916</b>	<b>3,594</b>	<b>3,051</b>

Source: HPBC records

The HPBCs generally attributed the untimely investigations to staffing shortages and uncooperative licensees. However, our review of procedures for the Board of Nursing and the Board of Professional Counselors and Therapists<sup>7</sup> disclosed certain deficiencies in procedures in controls that may have contributed to the failure to complete the reviews timely. Specifically, neither Board could document their monitoring of complaint investigations to ensure they were timely. In addition, the tracking log used by the Board of Nursing did not include all complaints to enable effective monitoring. For example, our analysis of the 1,181 complaints received by the Board of Nursing between July 2021 and October 2023 that were still open as of January 2024, disclosed that 443 were not recorded on its tracking log.

Similar conditions regarding insufficient oversight were noted for the Board of Nursing in our preceding audit report and for the Board of Professional Counselors and Therapists in two preceding audit reports dating back to April 2017. In their respective responses to our preceding audit report, the Boards indicated that they would perform supervisory reviews of their complaint tracking logs to ensure the timely disposition of complaints. The Boards also indicated that supervisory personnel would ensure that key dates and other critical information are included in the logs and this would be accomplished by Spring

---

<sup>7</sup> These two HPBCs were selected for review because they accounted for 73 percent of the open complaints as of February 2024 and deficiencies with their respective oversight of complaint investigations were noted in our prior Regulatory Services audit report.

2021. However, as noted above, these reviews were not documented and were not always effective due to incomplete data.

## **Recommendation 2**

**We recommend that HPBCs**

- a. properly monitor complaints (such as by periodically reviewing the tracking logs) and develop a strategy to ensure the timely disposition of complaints (repeat), including those noted above; and**
- b. properly maintain the tracking logs to ensure that the logs reflect all complaints (repeat).**

## **Inspections**

### **Finding 3**

**The Office of Health Care Quality (OHCQ) did not conduct required annual inspections of certain assisted living facilities, developmental disabilities service providers, and long-term-care facilities.**

### **Analysis**

OHCQ did not conduct required annual inspections of certain assisted living facilities, developmental disabilities service providers, and long-term-care<sup>8</sup> facilities. State law requires OHCQ to conduct inspections at least annually to ensure compliance with State and federal regulations regarding patient care and safety. If deficiencies noted during the inspections are not corrected (for example, failure to maintain client records in accordance with State regulations), OHCQ may impose sanctions such as license revocation, fines, or other restrictions on the operating license. Based on OHCQ records, inspections that have been conducted frequently disclosed deficiencies requiring corrective action.

Our review of OHCQ annual reports disclosed that OHCQ did not complete the required annual inspections during fiscal years 2020 through 2023. For example, during fiscal year 2023, OHCQ only inspected 42 of the 255 Long-Term-Care Facilities (or 19 percent) as shown in Figure 5 on the following page.

---

<sup>8</sup> Long-term-care facility include skilled nursing facility, intermediate care facility, intermediate care facility—intellectual disabilities, chronic hospital, tuberculosis hospital, or mental hospital.

**Figure 5**  
**OHCQ Annual Inspections Between Fiscal Years 2020 and 2023**

Facility Type	Total Facilities / Providers	Inspections Conducted	Percentage Conducted
<b>Fiscal Year 2020</b>			
Assisted Living Facilities	1,650	779	47%
Developmental Disabilities Providers	276	108	39%
Long-Term-Care Facilities	227	84	37%
<b>Fiscal Year 2021</b>			
Assisted Living Facilities	1,672	981	59%
Developmental Disabilities Providers	304	121	40%
Long-Term-Care Facilities	226	27	12%
<b>Fiscal Year 2022</b>			
Assisted Living Facilities	1,691	645	38%
Developmental Disabilities Providers	333	138	41%
Long-Term-Care Facilities	225	28	12%
<b>Fiscal Year 2023</b>			
Assisted Living Facilities	1,721	444	26%
Developmental Disabilities Providers	365	170	47%
Long-Term-Care Facilities	225	42	19%

Source: OHCQ Annual Reports for Fiscal Years 2020 through 2023

Similar conditions related to OHCQ not completing required inspections have been commented upon in MDH audit reports dating back to 2004. OHCQ’s response to our prior report indicated that it would continue to implement the seven-year staffing plan it initiated in July 2018 to increase the number of OHCQ inspectors. According to OHCQ’s fiscal year 2023 *Annual Report*, between fiscal year 2018 and 2023 OHCQ added 64 positions.<sup>9</sup> OHCQ advised that it plans to continue adding positions in accordance with this plan. We noted that the additional inspectors have not had a significant impact on OHCQ’s ability to complete the required number of inspections.

**Recommendation 3**

**We recommend that OHCQ, in conjunction with MDH, ensure inspections of assisted living facilities, developmental disabilities service providers, and long-term-care facilities are completed, as required by law (repeat).**

---

<sup>9</sup> The seven-year staffing plan provided for OHCQ to add 74 positions by the end of fiscal year 2024. Subsequent to our review, OHCQ reported that it had fully implemented this plan.

## Cash Receipts

### Background

According to the State’s records, during fiscal year 2023, collections received by the 22 HPBCs totaled approximately \$67.4 million (see Figure 6). These collections, which primarily related to licensing fees, were received by mail, in person, by credit card (processed either by HPBC staff or by third-party vendors), or by a lockbox.

**Figure 6**  
**Summary of Fiscal Year 2023 Collections**

Board or Commission	Collection Method			Total
	Credit Card	Mail and Walk-in	Lockbox	
Medical Cannabis	\$8,090,545	\$16,191,597	\$0	\$24,282,142
Physicians	12,080,143	0	1,929,920	14,010,063
Nursing	8,351,792	767,579	0	9,119,371
Pharmacy	3,555,193	0	1,626,588	5,181,781
Dental Examiners	1,756,594	742,810	0	2,499,404
Social Work Examiners	2,395,748	76,877	0	2,472,625
Professional Counselors & Therapists	1,180,158	1,071,917	0	2,252,075
Physical Therapy Examiners	1,132,108	35,477	0	1,167,585
Massage Therapy Examiners	898,428	191,120	0	1,089,548
Examiners of Psychologists	874,840	134,964	0	1,009,804
Audiologists, Hearing Aid Dispensers and Speech-Language Pathologists and Music Therapists	830,933	15,884	0	846,817
Morticians and Funeral Directors	190,200	575,762	0	765,962
Occupational Therapy Practice	682,381	13,080	0	695,461
Dietetic Practice	404,901	16,451	0	421,352
Acupuncture	317,193	18,555	0	335,748
Podiatric Examiners	249,600	72,122	0	321,722
Examiners of Optometry	285,105	3,281	0	288,386
Chiropractic Examiners	124,050	125,963	0	250,013
Kidney Disease	158,488	64,467	0	222,955
Environmental Health Specialists	0	77,700	0	77,700
Long Term Care Administrators	40,200	17,250	0	57,450
Residential Child Care Administrators	5,650	28,970	0	34,620
<b>Total</b>	<b>\$43,604,250</b>	<b>\$20,241,826</b>	<b>\$3,556,508</b>	<b>\$67,402,584</b>

Source: State Accounting Records



Collections received by mail and in person were deposited using remote deposit, a process that scans the images of checks and electronically transmits those images to the bank for deposit. Collections initially received by 17 HPBCs were forwarded to an HPBC employee who scanned checks into the remote deposit system. The Board of Nursing, Board of Occupational Therapy Practice, and Medical Cannabis Commission used their own remote deposit systems.

**Finding 4**

**Controls over collections received and deposited by certain HPBCs were not adequate, and duties related to cash receipts and licensing were not properly segregated.**

**Analysis**

Controls over collections received and deposited by certain HPBCs were not adequate, and duties related to cash receipts and licensing were not properly segregated. As summarized in Figure 7 on page 17, our review of procedures and controls at the 22 HPBCs disclosed deficiencies at 7 of the HPBCs:

Credit Card Collections

Our review disclosed that the Board of Nursing, Board of Professional Counselors and Therapists, and Board of Pharmacy did not have procedures to verify that all credit card collections processed by third-party vendors were deposited into the State's bank account and recorded in the State's accounting records. According to State accounting records, these three HPBCs had credit card collections totaling approximately \$13.1 million in fiscal year 2023.

Similar conditions were noted in our two preceding audit reports dating back to April 2017. The HPBCs' response to our preceding report indicated that they would implement procedures to verify credit card collections by February 2021. The Board of Nursing and Board of Professional Counselors and Therapists advised us that they implemented a verification process but that the employees responsible for this function had left employment and the responsibilities were not reassigned. As of October 2023, the Board of Pharmacy had not implemented a verification process.

In addition, our review disclosed that the Board of Nursing did not resolve a \$386,000 discrepancy between the collections processed by its credit card vendor and the amounts recorded in the State's accounting records that was identified in our preceding audit report. Although the Board indicated it would work with the State Treasurer's Office to resolve the discrepancy, as of October 2023, the Board could not document any additional efforts to investigate and resolve the discrepancy.

### Segregation of Duties

Five employees who were responsible for processing collections received at four HPBCs were also assigned licensing system capabilities that allowed them to issue or renew licenses, certificates, or permits, or adjust the related billing records. As a result, collections could be misappropriated, and the related licenses issued without detection. We were advised by HPBC personnel that they could not properly segregate these duties due to limited resources.

Similar conditions were noted in our two preceding audit reports dating back to April 2017 for the Board of Dental Examiners and Board for Residential Child Care Administrators. In response to our preceding report, these HPBCs reported that they had segregated cash handling and licensing duties. Although the Board of Dental Examiners advised us that they had segregated these duties, our review identified two employees with licensing duties that also were responsible for processing cash receipts. The Board of Residential Child Care Administrators advised us that it did not segregate these duties due to limited staffing.

### Reconciliations of Licenses to Related Collections

Seven HPBCs did not conduct comprehensive reconciliations of licenses to the related collection to ensure that the value of licenses issued with the related collections to ensure that all collections were accounted for and deposited. Specifically, six HPBCs did not conduct any reconciliations and our review of the Board of Pharmacy's reconciliation for May 2023 disclosed that the value of licenses issued (\$840,000) exceeded the amount deposited (\$794,000) by \$46,000 which was not identified and resolved. Our test of 20 licenses<sup>10</sup> issued by the seven HPBCs disclosed that the Board of Dental Examiners and Board of Professional Counselors and Therapists could not support that approximately \$1,600 in fees associated with four licenses were received and deposited.

The lack of reconciliations of licenses issued to the related collections by certain HPBCs has been commented upon in our MDH audit reports dating back to 2006. In response to our preceding report, the HPBCs reported that they would implement these reconciliations by December 2021. Six HPBCs advised that reconciliations were not implemented due to a lack of staffing and as noted above, the Board of Pharmacy's reconciliations were not properly performed.

---

<sup>10</sup> We arbitrarily selected licenses issued by these seven HPBCs during fiscal year 2022 and 2023.

**Figure 7**  
**Finding 4 Summary**

Board or Commission	Credit Card Collections		Cash Handling and Licensing Duties Segregated	Licenses Reconciled to Collections
	Verified to Deposit	Verified to State Accounting Records		
Nursing	No*	No*	No	No*
Pharmacy	No*	No	N/A	No*
Dental Examiners	Yes	Yes	No*	No*
Professional Counselors and Therapists	No*	No	No	No*
Audiologists, Hearing Aid Dispensers and Speech-Language Pathologists and Music Therapists	Yes	Yes	Yes	No*
Morticians and Funeral Directors	Yes	Yes	Yes	No*
Residential Child Care Administrators	Yes	Yes	No*	No*
<b>Total Exceptions</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>7</b>

Source: HPBC Records

\* Repeat Finding

N/A – Not Applicable - The Board of Pharmacy does not handle cash.

The Comptroller of Maryland’s *Accounting Procedures Manual*<sup>11</sup> requires collections to be independently verified to deposit and recorded in the State’s accounting records. In addition, the *Manual* requires the separation of cash handling duties and licensing duties and reconciling the value of licenses to the related collections.

**Recommendation 4**

**We recommend that the HPBCs**

- a. perform documented verifications that credit card collections were deposited and properly recorded in the State’s accounting records (repeat);**
- b. determine whether the aforementioned \$386,000 in unrecorded credit card collections was deposited and properly recorded in the State’s accounting records (repeat);**
- c. ensure that employees processing collections are denied the system capability to issue or renew licenses, certificates, or permits, or to update**

---

<sup>11</sup> The updated *Accounting Policies and Procedures Manual*, effective June 2024, has the same requirements.

- related billing records (repeat);
- d. periodically reconcile licensing activity with the related collections (repeat); and
- e. investigate and pursue the recovery of fees not collected and deposited, including those noted above.

## **Criminal Background Checks**

### **Finding 5 (Policy Issue)**

**Ten HPBCs did not require criminal background checks when an individual applied to become a licensed health professional and/or obtain subsequent alerts of criminal activity. As a result, several active licensees convicted of crimes of moral turpitude were not identified.**

### **Analysis**

Ten HPBCs did not require criminal background checks as a condition of licensure and/or obtain subsequent alerts of criminal activity conducted by their licensees. State laws and regulations provide that each Board may deny a license if the applicant or licensee is convicted of, or pleads guilty to, a crime involving moral turpitude. Our review of the 20 HPBCs that issue licenses disclosed that 10 did not require criminal background checks and/or obtain subsequent alerts of criminal activity.

The 10 HPBCs advised us that they were not authorized by State law to require criminal background checks and/or obtain alerts of subsequent criminal activity. In this regard, criminal background checks and subsequent alerts were required by State law for certain HPBCs but were not included in the laws governing the 10 HPBCs. Specifically, State law did not include the criminal background provision for 6 HPBCs and did not include the subsequent alert provision for 10 of the HPBCs (see Figure 8 on the following page).

**Figure 8**  
**Summary of Criminal Background Check Requirements**

	Board or Commission	Number of Active Licensees	State Law Requires	
			Criminal Background Checks	Subsequent Alerts of Criminal Activity
1	Nursing	235,641	Yes	Yes
2	Physicians	51,667	Yes	Yes
3	Pharmacy	32,748	No	No
4	Social Worker Examiners	18,608	Yes	Yes
5	Dental Examiners	15,091	No	No
6	Professional Counselors and Therapists	13,016	Yes	Yes
7	Physical Therapy Examiners	9,225	Yes	No
8	Audiologists, Hearing Aid Dispensers and Speech-Language Pathologists and Music Therapists	5,759	Yes	Yes
9	Occupational Therapy Practice	4,956	Yes	Yes
10	Examiners of Phycologists	3,889	Yes	No
11	Massage Therapy Examiners	3,485	Yes	Yes
12	Dietetic Practice	2,912	No	No
13	Morticians and Funeral Directors	2,066	Yes	No
14	Chiropractic Examiners	1,595	Yes	Yes
15	Acupuncture	1,213	No	No
16	Examiners of Optometry	1,011	No	No
17	Residential Child Care Administrators	1,002	Yes	Yes
18	Environmental Health Specialists	620	No	No
19	Long-Term Care Administrators	490	Yes	Yes
20	Podiatric Examiners	485	Yes	No
<b>Totals</b>		<b>405,479</b>		

Source: Annotated Code of Maryland

Our Data Analytics Unit independently obtained conviction records from the Maryland Department of Public Safety and Correctional Services between September 2019 and May 2024. We matched this data to licensed Dental and

Pharmacy<sup>12</sup> health professionals as of February 2024 and identified 16 licensed dental professionals and 14 licensed pharmacy professionals who were convicted of crimes including possession of controlled dangerous substances, assault, and theft. State regulations provide for disciplinary action ranging from probation to license revocation based on the severity of the crime. For example, 2 of the aforementioned licensed dental professionals were convicted of assault, which should have resulted in these licenses being suspended for at least 1 year.

### **Recommendation 5**

**We recommend that the HPBCs consult with legal counsel to pursue the necessary steps to**

- a. require criminal background checks for all applicants, and**
- b. obtain alerts when licensed health professionals are convicted of criminal activity and take appropriate disciplinary action.**

## **Information Systems Security and Control**

We determined that the Information Systems Security and Control section, including Findings 6 through 9 related to “cybersecurity,” as defined by the State Finance and Procurement Article, Section 3.5-301(b) of the Annotated Code of Maryland, and therefore are subject to redaction from the publicly available audit report in accordance with the State Government Article 2-1224(i). Consequently, the specifics of the following findings, including the analysis, related recommendations, along with MDH’s responses, have been redacted from this report copy.

**Finding 6**  
**Redacted cybersecurity-related finding.**

**Finding 7**  
**Redacted cybersecurity-related finding.**

**Finding 8**  
**Redacted cybersecurity-related finding.**

---

<sup>12</sup> We performed a match on Dental Examiners and Pharmacy as those Boards accounted for 69 percent (47,839) of the individuals licensed by the 10 HPBCs that did not require a criminal background check as a condition of licensure or obtain subsequent alerts.

**Finding 9**  
**Redacted cybersecurity-related finding.**

## **Audit Scope, Objectives, and Methodology**

We have conducted a fiscal compliance audit of Regulatory Services, a budgetary unit within the Maryland Department of Health (MDH) for the period beginning September 25, 2019 and ending July 31, 2023. The audit was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

As prescribed by the State Government Article, Section 2-1221 of the Annotated Code of Maryland, the objectives of this audit were to examine Regulatory Services' financial transactions, records, and internal control, and to evaluate its compliance with applicable State laws, rules, and regulations.

In planning and conducting our audit, we focused on the major financial-related areas of operations based on assessments of significance and risk. The areas addressed by the audit included health professional and facilities licensing, cash receipts, contracts, and information systems security and control. We also determined the status of the findings contained in our preceding audit report.

Our audit did not include certain support services provided to Regulatory Services by MDH – Office of the Secretary and Other Units. These support services (such as payroll, purchasing, maintenance of accounting records, and related fiscal functions) are included within the scope of our audit of MDH - Office of the Secretary and Other Units.

Our assessment of internal controls was based on agency procedures and controls in place at the time of our fieldwork. Our tests of transactions and other auditing procedures were generally focused on the transactions occurring during our audit period of September 25, 2019 to July 31, 2023, but may include transactions before or after this period as we considered necessary to achieve our audit objectives.

To accomplish our audit objectives, our audit procedures included inquiries of appropriate personnel, inspections of documents and records, tests of transactions, and to the extent practicable, observations of Regulatory Services' operations. Generally, transactions were selected for testing based on auditor judgment, which primarily considers risk, the timing or dollar amount of the transaction, or the significance of the transaction to the area of operation reviewed. As a matter



of course, we do not normally use sampling in our tests, so unless otherwise specifically indicated, neither statistical nor non-statistical audit sampling was used to select the transactions tested. Therefore, unless sampling is specifically indicated in a finding, the results from any tests conducted or disclosed by us cannot be used to project those results to the entire population from which the test items were selected.

We also performed various data extracts of pertinent information from the State's Financial Management Information System (such as revenue and expenditure data), the State's Central Payroll Bureau (payroll data), State wage data from the Maryland Department of Labor (MDL), and criminal justice information from the Department of Public Safety and Correctional Services (DPSCS). The extracts are performed as part of ongoing internal processes established by the Office of Legislative Audits and were subject to various tests to determine data reliability. We determined that the data extracted from these sources were sufficiently reliable for the purposes the data were used during this audit.

We also extracted data from various agency systems, including the licensing's system at various HPBCs and the inspection system at OHCQ, for the purpose of testing whether licenses were properly issued and inspections were performed as required. We performed various tests of the relevant data and determined that the data were sufficiently reliable for the purposes the data were used during the audit. Finally, we performed other auditing procedures that we considered necessary to achieve our audit objectives. The reliability of data used in this report for background or informational purposes was not assessed.

Regulatory Services' management is responsible for establishing and maintaining effective internal control. Internal control is a process designed to provide reasonable assurance that objectives pertaining to the reliability of financial records; effectiveness and efficiency of operations, including safeguarding of assets; and compliance with applicable laws, rules, and regulations are achieved. As provided in *Government Auditing Standards*, there are five components of internal control: control environment, risk assessment, control activities, information and communication, and monitoring. Each of the five components, when significant to the audit objectives, and as applicable to Regulatory Services, were considered by us during the course of this audit.

Because of inherent limitations in internal control, errors or fraud may nevertheless occur and not be detected. Also, projections of any evaluation of internal control to future periods are subject to the risk that conditions may change or compliance with policies and procedures may deteriorate.

Our reports are designed to assist the Maryland General Assembly in exercising its legislative oversight function and to provide constructive recommendations for improving State operations. As a result, our reports generally do not address activities we reviewed that are functioning properly.

This report includes findings relating to conditions that we consider to be significant deficiencies in the design or operation of internal control that could adversely affect Regulatory Services' ability to maintain reliable financial records, operate effectively and efficiently, and/or comply with applicable laws, rules, and regulations. Our report also includes findings regarding significant instances of noncompliance with applicable laws, rules, or regulations.

In addition, this report includes a finding which is identified as a "Policy Issue". Such findings represent significant operational or financial-related issues for which formal criteria may not necessarily exist, and for which management has significant discretion in addressing, but the recommendation represents prudent and or practical actions, which we believe should be implemented by the agency to improve outcomes. Other less significant findings were communicated to Regulatory Services that did not warrant inclusion in this report.

State Government Article Section 2-1224(i) requires that we redact in a manner consistent with auditing best practices any cybersecurity findings before a report is made available to the public. This results in the issuance of two different versions of an audit report that contains cybersecurity findings – a redacted version for the public and an unredacted version for government officials responsible for acting on our audit recommendations.

The State Finance and Procurement Article, Section 3.5-301(b), states that cybersecurity is defined as "processes or capabilities wherein systems, communications, and information are protected and defended against damage, unauthorized use or modification, and exploitation". Based on that definition, and in our professional judgment, we concluded that certain findings in this report fall under that definition. Consequently, for the publicly available audit report all specifics as to the nature of cybersecurity findings and required corrective actions have been redacted. We have determined that such aforementioned practices, and government auditing standards, support the redaction of this information from the public audit report. The specifics of these cybersecurity findings have been communicated to Regulatory Services and those parties responsible for acting on our recommendations in an unredacted audit report.

The responses from MDH, on behalf of Regulatory Services, to our findings and recommendation is included as an appendix to this report. Depending on the

version of the audit report, responses to any cybersecurity findings may be redacted in accordance with State law. As prescribed in the State Government Article, Section 2-1224 of the Annotated Code of Maryland, we will advise MDH regarding the results of our review of its response.

**Exhibit 1**  
**Listing of Most Recent Office of Legislative Audits**  
**Fiscal Compliance Audits of Maryland Department of Health Units**  
**As of February 2025 (Page 1 of 2)**

Name of Audit		Areas Covered	Most Recent Report Date
1	Prevention and Health Promotion Administration - Office of Population Health Improvement - Office of Preparedness and Response - Office of Provider Engagement and Regulation	<ul style="list-style-type: none"> <li>• Prevention and Health Promotion Administration</li> <li>• Office of Population Health Improvement</li> <li>• Office of Preparedness and Response</li> <li>• Office of Provider Engagement and Regulation</li> <li>– Office of Controlled Substances Administration</li> <li>• Office of Provider Engagement and Regulation</li> <li>– Prescription Drug Monitoring Program</li> </ul>	08/09/24
2	Pharmacy Services	Pharmacy Services	08/09/24
3	Laboratories Administration	Laboratories Administration	06/05/24
4	State Psychiatric Hospital Centers	<ul style="list-style-type: none"> <li>• Clifton T. Perkins Hospital Center</li> <li>• Eastern Shore Hospital Center</li> <li>• Spring Grove Hospital Center</li> <li>• Springfield Hospital Center</li> <li>• Thomas B. Finan Hospital Center</li> </ul>	05/29/24
5	Health Regulatory Commission	<ul style="list-style-type: none"> <li>• Maryland Health Care Commission</li> <li>• Health Services Cost Review Commission</li> <li>• Maryland Community Health Resources Commission</li> </ul>	01/25/24
6	Medical Care Programs Administration – Managed Care Program	Managed Care Program, known as HealthChoice including oversight of the nine private Managed Care Organizations	12/14/23
7	Medical Care Programs Administration	Medical Care Programs Administration	11/02/23
8	Office of the Secretary and Other Units	<ul style="list-style-type: none"> <li>• Office of the Secretary</li> <li>• Deputy Secretary and Executive Director for Behavioral Health</li> <li>• Deputy Secretary for Developmental Disabilities</li> <li>• Deputy Secretary for Public Health</li> <li>• Deputy Secretary for Health Care Financing and Chief Operating Officer</li> <li>• Deputy Secretary for Operations</li> </ul>	10/19/23
9	Chronic Care Hospital Centers	<ul style="list-style-type: none"> <li>• Deer’s Head Center</li> <li>• Western Maryland Hospital Center</li> </ul>	05/10/23
10	Developmental Disabilities Administration	Developmental Disabilities Administration	10/26/22
11	Behavioral Health Administration and Medical Care Programs Administration - Administrative Service Organization for Behavioral Health Services	<ul style="list-style-type: none"> <li>• Behavioral Health Administration</li> <li>• Medical Care Programs Administration</li> <li>Administrative Service Organization for Behavioral Health Services</li> </ul>	10/25/22

**Exhibit 1**  
**Listing of Most Recent Office of Legislative Audits**  
**Fiscal Compliance Audits of Maryland Department of Health Units**  
**As of February 2025 (Page 2 of 2)**

Name of Audit		Areas Covered	Most Recent Report Date
12	Intellectual Disabilities Residential Centers	<ul style="list-style-type: none"> <li>• Holly Center</li> <li>• Potomac Center</li> <li>• Secure Evaluation and Therapeutic Treatment</li> </ul>	10/24/22
13	Regional Institute for Children and Adolescents	<ul style="list-style-type: none"> <li>• John L. Gildner Regional Institute for Children and Adolescents</li> <li>• Regional Institute for Children and Adolescents – Baltimore</li> </ul>	07/13/22
14	Office of the Chief Medical Examiner	Office of the Chief Medical Examiner	05/12/22
15	Vital Statistics Administration	Vital Statistics Administration	11/10/20



*Wes Moore, Governor · Aruna Miller, Lt. Governor · Ryan Moran, DrPH, MHSA, Acting Secretary*

April 7, 2025

Mr. Brian S. Tanen, CPA, CFE  
Legislative Auditor  
Office of Legislative Audits  
The Warehouse at Camden Yards  
351 West Camden Street, Suite 400  
Baltimore, MD 21201

Dear Mr. Tanen:

Enclosed, please find the responses to the draft audit report on the Maryland Department of Health – Regulatory Services for the period beginning September 25, 2019 and ending July 31, 2023.

If you have any questions, please contact Frederick D. Doggett at 410-767-0885 or email at [frederick.doggett@maryland.gov](mailto:frederick.doggett@maryland.gov).

Sincerely,

Ryan B. Moran, DrPH, MHSA, Acting Secretary  
Maryland Department of Health

cc: Erin K. McMullen, R.N., Chief of Staff, MDH  
Clint Hackett, Deputy Secretary for Operations  
Emily Berg, JD, MPH, Deputy Chief of Staff  
Frederick D. Doggett, Director, Internal Controls, Audit Compliance & Information Security, MDH  
Deneen Toney, Deputy Director, Internal Controls, Audit Compliance & Information Security, MDH  
Carlean Rhames-Jowers, Chief Auditor Supervisor, Internal Controls, Audit Compliance & Information Security, MDH  
Patricia T. Nay, M.D., Executive Director, Office of Health Care Quality, MDH  
Rhonda Scott, R.N., Executive Director, State Board of Nursing, MDH  
Tiffany L. Smith-Williams, Executive Director, State Acupuncture Board, MDH  
Keena Stephenson, Executive Director, State Board of Examiners for Audiologists, Hearing Aid

Dispensers, & Speech-Language Pathologists, MDH  
Darlene V. Ham, Executive Director, State Board for Certification of Residential Child Care Program Professionals,  
Erika Malone, State Board of Morticians & Funeral Directors, MDH  
Tomiloba Olaniyi-Quadri, Acting Executive Director, State Board of Professional Counselors & Therapists, MDH  
Stacey Scriven, Executive Director, State Board of Dental Examiners, MDH  
Marie M. Savage, Administrator, State Board of Dietetic Practice, MDH  
James Merrow, Executive Director, State Board of Environmental Health Specialists, MDH  
Eva H. Schwartz, Executive Director, State Commission on Kidney Disease and State Board of Podiatric Medical Examiners, MDH  
Sharon J. Oliver, Executive Director, State Board of Massage Therapy Examiners and State Board of Chiropractic Examiners, MDH  
Linda Burrell-Warr, Executive Director, State Board of Long-Term Care Administrators, MDH  
Lauren C. Murray, Executive Director, State Board of Occupational Therapy Practice, MDH  
Gwendolyn Joyner, Executive Director, State Board of Examiners in Optometry, MDH  
Deena N. Speights-Napata, Executive Director, State Board of Pharmacy, MDH  
Laurie Kendall-Ellis, Executive Director, State Board of Physical Therapy Examiners, MDH  
Christine A. Farrelly, Executive Director, State Board of Physicians, MDH  
Lorraine W. Smith, Executive Director, State Board of Examiners of Psychologists, MDH  
Karen Richards, Executive Director, State Board of Social Work Examiners, MDH

**Maryland Department of Health  
Regulatory Services**

**Agency Response Form**

**Investigation of Potentially Fraudulent Nursing Licenses**

**Finding 1**

The Board of Nursing could not document that it investigated and took appropriate action for 259 individuals who may have obtained a nursing license in Maryland using fraudulent credentials, including at least 131 who were actively working in a Maryland medical facility as of December 2023.

We recommend that the Board of Nursing

- a. timely investigate and take appropriate disciplinary action when concerns are identified with eligibility, including the aforementioned 259 licensees;
- b. refer any individuals who were determined to be improperly licensed to the Office of the Attorney General – Criminal Division and the Governor’s Chief Counsel; and
- c. retain documentation to support its investigations and related conclusions.

<b>Agency Response</b>	
<b>Analysis</b>	<b>Factually Accurate</b>
Please provide additional comments as deemed necessary.	
<b>Recommendation 1a</b>	Agree <b>Estimated Completion Date:</b> 7/31/25



# Maryland Department of Health Regulatory Services

## Agency Response Form

<p>Please provide details of corrective action or explain disagreement.</p>	<p>Board of Nursing has located a substantial amount of the records documenting the work conducted to screen and process the 259 individuals who may have obtained licensure in Maryland using fraudulent credentials. We continue to search for the remaining records. Between September of 2022 and October of 2023, the Maryland Board of Nursing conducted a preliminary investigation and:</p> <ul style="list-style-type: none"> <li>● Processed 205 of the 259 individuals on the list provided by the FBI and compiled by the National Council for State Boards of Nursing (NCSBN) in NURSUS, the national database managed by NCSBN, that verifies the licensure and discipline of nurses .</li> <li>● Determined that Maryland has no cause to take disciplinary action against 205 of the individuals because the Maryland LPN or RN license was obtained with legitimate credentials, or, the Maryland Board of Nursing does not have jurisdiction because the individual does not have a Maryland RN or LPN license, a pending RN or LPN application, or a privilege to practice nursing in Maryland pursuant to a multistate RN or LPN license.</li> <li>● Initiated full investigations of the remaining 54 individuals between September of 2022 and October of 2023. Of these, 12 cases were closed after the applicant withdrew the application for RN licensure (withdrawals occurred between February 2024 and February 2025), 3 were closed by voluntary surrender of the RN license, and 3 were closed by revocation of the privilege to practice in Maryland. The Board has voted to issue charges in 7 of the cases and those cases have been transferred to the Office of the Attorney General for prosecution. Three cases were disposed of by a vote of take no action by the Board for the following reasons: (1) the individual graduated with legitimate credentials in 2024, (2) the individual did not file an application for a Maryland license, and (3) the individual withdrew the application for the Maryland RN license. The remaining 26 cases continue to be actively investigated. <b>Board of Nursing anticipates these remaining 26 investigations to be complete by 7/31/2025.</b></li> </ul>		
<p><b>Recommendation 1b</b></p>	<p>Agree</p>	<p><b>Estimated Completion Date:</b></p>	<p>6/1/2025</p>
<p>Please provide details of corrective action or explain disagreement.</p>	<p>The Board of Nursing will take action to refer cases that result in some form of final disciplinary action to the Office of Attorney General - Criminal Division and the Governor’s Chief Counsel.</p>		
<p><b>Recommendation 1c</b></p>	<p>Agree</p>	<p><b>Estimated Completion Date:</b></p>	<p>6/1/2025</p>

**Maryland Department of Health  
Regulatory Services**

**Agency Response Form**

<p><b>Please provide details of corrective action or explain disagreement.</b></p>	<p>The Board agrees that it should retain documentation to support its investigation and related conclusions. The Board has located a substantial amount of the records documenting its screening process for the individuals who may have obtained fraudulent credentials. Board staff continue to search for remaining records. The Board is in the process of revising the current complaint tracking tool to include Operation Nightingale cases.</p>
--	---

# Maryland Department of Health Regulatory Services

## Agency Response Form

### Complaint Investigations

**Finding 2**  
**The Health Professional Boards and Commissions (HPBCs) did not ensure that complaints against licensees were investigated timely. Our review disclosed that numerous complaints were not investigated within the required timeframes, including 3,051 open for at least 2 years.**

We recommend that HPBCs

- a. properly monitor complaints (such as by periodically reviewing the tracking logs) and develop a strategy to ensure the timely disposition of complaints (repeat), including those noted above; and
- b. properly maintain the tracking logs to ensure that the logs reflect all complaints (repeat).

Agency Response			
<b>Analysis</b>	<b>Factually Accurate</b>		
<b>Please provide additional comments as deemed necessary.</b>	The Board of Nursing (Board) has developed and implemented a strategy focused on the timely disposition of complaints. There are currently 6 vacant investigator positions. Filling these vacancies and training the new investigators will aid the Board in disposing of cases; however, in order to ensure that complaints are investigated timely (within the established timeframe), the Board would require more investigative personnel than what it is currently allotted to handle the workload effectively.		
<b>Recommendation 2a</b>	Agree	<b>Estimated Completion Date:</b>	See below
	<b>Board of Nursing Response:</b> While many of the Board of Nursing investigations are completed timely, particularly those that are triaged as high priority cases, the Board acknowledges that some investigations are not completed within the target timeframe of 540 days in accordance with Managing for Results goal objective 2.1. Historically, the Board has struggled with a lack of resources to manage the caseload of complaints received. The lack of resources, including limited investigations staff, contributed to the backlog of complaints identified by the Board in June of 2019. Both MDH and the Board have taken substantial steps towards eliminating the backlog of cases. Based on findings and recommendations documented in the independent evaluation of the Board conducted in accordance with Senate Bill 960/House Bill 611 of 2023, MDH allocated 10 non-nurse investigator positions to assist with clearing the backlog. The Board has prioritized efforts to reduce the		

# Maryland Department of Health Regulatory Services

## Agency Response Form

number of outstanding investigations, including by hiring additional investigative staff. Currently, 5 of the 10 contractual non-nurse investigator positions have been filled. The Board is actively recruiting for 5 contractual non-nurse investigator positions and 1 contractual nurse investigation position. The Board worked with MDH and reclassified the non-nurse investigator position to align with the requirements of the position. The Board is actively recruiting for the 5 vacant non-nurse investigator positions under the new classification. The Board is currently allocated 18 investigator positions including the 10 non-nurse investigator positions; however, to investigate all open cases within the established timeframe and clear any existing backlog would require an estimated 34 additional investigators. The Board currently has a total of 1303 open cases. 796 of these cases have been open for more than 540 days. Both case load and complexity of cases contribute to prolonged investigation timeframes.

Based on the results of the NCSBN Discipline Efficiency Study, the Board estimates that reducing each investigator's caseload to a maximum of 25 cases per investigator would assist with clearing the backlog and allow cases to be investigated timely. However, the Board will need more investigative resources to achieve this goal.

The Board focuses its existing resources on investigating complaints that pose a potential risk to the public. The Board utilizes the National Council for State Boards of Nursing (NCSBN) guidelines for assigning case priority/risk level. Risk levels range from priority 1 to priority 3 with priority 1 being high risk and high harm violations and priority 3 being low risk/low harm violations. In January of 2024, the Board voted to administratively close cold cases that were 2019 and older. Before presenting them to the Board for administrative closure, investigative staff evaluated each case using the NCSBN priority/risk guidelines. In January of 2024, the complaint triage process was formally delegated by the Board to the Executive Director with specific instructions on how to review and prioritize incoming complaints using the NCSBN prioritization guidelines. The complaints unit now reviews and triages incoming complaints daily to screen for priority cases and the Chief Nurse Investigator immediately assigns priority 1 complaints to an investigator. This process has decreased the amount of days for priority 1 complaints from receipt to triage from 50 days or greater to less than 24 business hours.

**The Board estimates that the 6 vacant investigator positions will be filled and the individuals trained by 12/31/2025.**

**Board of Long Term Care Response:** The Board's Executive Director, who was hired in December 2023, created a comprehensive tracking log

**Maryland Department of Health  
Regulatory Services**

**Agency Response Form**

to enter and track all complaints and implemented new procedures for staff to ensure properly monitoring the timely disposition of complaints. **Complete**

**Board of Social Work Examiners (BSWE) Response:** Staffing has been the number one issue in investing and resolving complaints. For FY 2025, BSWE added two full time Health Occupation Investigator III Merit PINs. One of these PINs is filled and the other is in the active recruitment stage. In August 2024, BSWE was faced with another vacancy in the Compliance Unit that was recently filled. As of Feb 9, 2025, BSWE has two full time Health Occupation Investigators with one open PIN in active recruitment. Once the third Health Investigator PIN is hired, BSWE will have a fully staffed compliance unit with a Director, Administrator I and three Health Occupation Investigators. With staffing issues addressed, BSWE anticipates that the backlog of complaints will be eliminated, and future complaints will be handled within required time frames.

The Board of Social Work has developed a strategy to address the time disposition of complaints which includes the hiring of two additional Health Occupation Investigators. One position is still in active recruitment; therefore, we anticipate to have someone hired and onboarded by the end of April. **Estimated Completion Date: April 30, 2025.**

**Maryland State Board of Dental Examiners (MSBDE) Response:** An extensive spreadsheet has been created after identifying and categorizing all cases within the database. Tracking logs and various reports are now used to monitor, track and timely address cases that are submitted to the unit. Standard Operating Procedures (SOPs) and workflows have been written to ensure that the proper processes are being followed. The Dental Board will need to be given the same timeframe as the other large Boards (540 days) to investigate and close cases. The current timeframe is inadequate due to the complexity of the cases. **Estimated Completion Date: December 31, 2025.**

**Board of Pharmacy Response:** Complaints are currently tracked by spreadsheet that will make a case turn “red” if it hits the 180 day mark indicating to supervisors and investigators that the complaint is nearly due for completion. Employees also have weekly meetings to discuss current cases and current case statuses. **Complete**

**Board of Professional Counselors Response:** The Board is currently

**Maryland Department of Health  
Regulatory Services**

**Agency Response Form**

	<p>assessing its tracking logs and processes to ensure all complaints are logged accurately and addressed within a reasonable timeframe. We are also reviewing the recommendations related to periodic monitoring and strategy development to improve complaint resolution. <b>Complete</b></p>		
<b>Recommendation 2b</b>	Agree	<b>Estimated Completion Date:</b>	See below
<b>Please provide details of corrective action or explain disagreement.</b>	<p><b>Board of Nursing Response:</b> The Board of Nursing will revise and maintain its tracking log to ensure that all complaints are reflected and to facilitate proper monitoring of complaints from receipt to disposition of the case. <b>Estimated Completion Date: June 30, 2025.</b></p> <p><b>Board of Long Term Care Response:</b> A comprehensive tracking log was created to enter and track all complaints received by the Board and new procedures were implemented for staff to properly maintain the tracking log to ensure that it reflects the entry and status of all complaints. <b>Complete</b></p> <p><b>Maryland State Board of Dental Examiners (MSBDE) Response:</b> An extensive spreadsheet has been created after identifying and categorizing all cases within the database. Tracking logs and various reports are now used to monitor, track and timely address cases that are submitted to the unit. These reports Standard Operating Procedures (SOPs) and workflows have been written to ensure that the proper processes are being followed. <b>Complete</b></p> <p><b>Board of Pharmacy Response:</b> Complaints are tracked and logged onto a spreadsheet that keeps all information up to date as cases are being processed. <b>Complete</b></p> <p><b>Board of Professional Counselors response:</b> The Board is in the process of reviewing and updating our tracking system to ensure that all complaints are properly recorded and monitored. <b>Estimated Completion Date: May 1, 2025.</b></p>		

**Inspections**

**Finding 3**  
**The Office of Health Care Quality (OHCQ) did not conduct required annual inspections of certain assisted living facilities, developmental disabilities service providers, and long-term-care facilities.**

# Maryland Department of Health Regulatory Services

## Agency Response Form

**We recommend that OHCQ, in conjunction with MDH, ensure inspections of assisted living facilities, developmental disabilities service providers, and long-term-care facilities are completed, as required by law (repeat).**

Agency Response			
<b>Analysis</b>	<b>Factually Accurate</b>		
Please provide additional comments as deemed necessary.			
<b>Recommendation 3</b>	Agree	<b>Estimated Completion Date:</b>	10/30/2026
Please provide details of corrective action or explain disagreement.	<p>For assisted living facilities (ALF), there are currently seven full-time nurse surveyors and one administrative officer conducting annual inspections statewide. Additionally, eight full-time nurse surveyors are currently in training, which will enhance our capacity to manage and complete annual inspections promptly and efficiently moving forward. We anticipate being in compliance with annual inspections for ALFs by November 2025.</p> <p>For developmental disability (DD) service providers, we are in compliance and on track to complete Initial or Relicensure surveys for all licensed DD providers serving individuals for FY25.</p> <p>The Long-Term Care (LTC) unit has implemented a comprehensive three-part strategy to address the backlog and improve annual survey completion rates:</p> <ol style="list-style-type: none"> <li>1. <b>Increased Staffing:</b> OHCQ has significantly expanded its LTC unit (merit position). In FY24, we filled five Health Facilities Nurse Surveyor positions, and in FY25, we received 13 additional merit positions allocated to the LTC unit—12 for Nurse Surveyors and one for a Long-Term Care Unit Coordinator. All positions have been filled.</li> <li>2. <b>Contracting External Support:</b> To further address the backlog, OHCQ secured a \$5.6 million contract with two external agencies to provide SMQT-certified Health Facilities Surveyor Nurses, ensuring additional support in conducting surveys.</li> <li>3. <b>Enhanced Training and Efficiency Measures:</b> OHCQ has developed and implemented targeted training programs aimed at improving surveyor efficiency. These initiatives focus on</li> </ol>		

**Maryland Department of Health  
Regulatory Services**

**Agency Response Form**

	<p>reducing orientation time and expediting survey completion while maintaining quality and compliance standards.</p> <p>As a result of these efforts, our annual full survey completion rate has increased by 160% in FY25. Based on our current progress and strategic initiatives, we anticipate achieving full compliance for long-term care facilities by 10/30/2026.</p>
--	--



**Maryland Department of Health  
Regulatory Services**

**Agency Response Form**

**Cash Receipts**

**Finding 4**  
**Controls over collections received and deposited by certain HPBCs were not adequate, and duties related to cash receipts and licensing were not properly segregated.**

We recommend that the HPBCs

- a. perform documented verifications that credit card collections were deposited and properly recorded in the State’s accounting records (repeat);
- b. determine whether the aforementioned \$386,000 in unrecorded credit card collections was deposited and properly recorded in the State’s accounting records (repeat);
- c. ensure that employees processing collections are denied the system capability to issue or renew licenses, certificates, or permits, or to update related billing records (repeat);
- d. periodically reconcile licensing activity with the related collections (repeat); and
- e. investigate and pursue the recovery of fees not collected and deposited, including those noted above.

<b>Agency Response</b>			
<b>Analysis</b>	<b>Factually Accurate</b>		
Please provide additional comments as deemed necessary.			
<b>Recommendation 4a</b>	Agree	<b>Estimated Completion Date:</b>	See below
Please provide details of corrective action or explain disagreement.	<b>Board of Nursing Response:</b> In the past the Board faced a shortage of staff necessary to ensure timely deposits. In November of 2021, the Board hired a Manager of Administrative Services who served as the Agency Fiscal Officer, In December of 2021, this individual initiated the credit card payment verification process via the use of Daily Deposit Reports from the State Treasurer’s Office, monthly deposit detail reports from the Credit Card vendor and transaction summary transaction inquiries from the State’s Financial Management Information System (FMIS). Verifications were completed monthly, and documents are stored in a binder for each Fiscal Year. At that time, the Director of		

# Maryland Department of Health Regulatory Services

## Agency Response Form

	<p>Operations began conducting quarterly audits to ensure that documented verifications of credit card payments were being conducted. Written standard operating procedures are in place. However, employee turnover led to vacancies in Administrative Services and Fiscal units. Since that time, the Board has operated a full administrative team including redundancies that allow us to pivot to emergent needs. The Board is continuing to build on this success by revising and training on SOPs, as well as standing up a new Quality Assurance program. The Board believes the addition of new staff in our fiscal and administrative units has resolved this issue. <b>Complete</b></p> <p><b>Board of Pharmacy Response:</b> The Board will perform documented verifications that credit card collections were deposited and properly recorded in the State’s accounting records. <b>Estimated Completion Date: June 1, 2025.</b></p> <p><b>Board of Professional Counselors and Therapists Response:</b> The Board acknowledges the importance of verifying that credit card collections are properly deposited and recorded in the State’s accounting records. We are in the process of implementing a standardized reconciliation procedure that ensures all transactions are accurately accounted for and cross-checked against financial records. Additional oversight measures are being developed to further enhance financial transparency. <b>May 1, 2025.</b></p>		
<b>Recommendation 4b</b>	Agree	<b>Estimated Completion Date:</b>	June 30, 2025
<b>Please provide details of corrective action or explain disagreement.</b>	<p>The Board of Nursing exhausted all resources at its disposal to research and investigate the \$386,000 in unrecorded credit card collections. The Board will fully detail these efforts, and provide available supporting documentation, in a memo to the MDH Office of Finance, and IAC/S. Board of Nursing anticipates the addition of new staff in its fiscal and administrative units will resolve future incidents of unrecorded deposits.</p>		
<b>Recommendation 4c</b>	Agree	<b>Estimated Completion Date:</b>	See below
<b>Please provide details of corrective action or explain disagreement.</b>	<p><b>Board of Nursing Response:</b> The Board has standard operating procedures in place to ensure that the duties of processing collections are appropriately segregated from processing licenses and certification. Currently the individuals at the Board who collect license fees do not have the ability to issue or renew licenses, certificates, or to update related billing records. In July of 2021, the Board implemented standard operating procedures to address this finding. Quarterly reviews were initiated to ensure compliance; however, staff turnover and position vacancies limited the Board’s ability to maintain consistency with this operational procedure. With the addition of new staff in administrative</p>		

# Maryland Department of Health Regulatory Services

## Agency Response Form

	<p>service, fiscal and operations, the Board will ensure consistent compliance with SOPs including quarterly reviews. <b>April 30, 2025.</b></p> <p><b>Board of Residential Child Care Response:</b> The Maryland Board for the Certification of Residential Child Care Program Professionals has ensured that user roles are appropriately restricted. As a staff of three, each employee has their own capabilities, and the software does not allow employees to complete tasks outside of her role. The Board has looked into enabling them for options to get additional employees to meet this recommendation. <b>Complete</b></p> <p><b>Maryland State Board of Dental Examiners (MSBDE) Response:</b> The task of processing incoming checks is split amongst three staff members to ensure that oversight of the process does not rest with one person. The staff member that issues the license does not have access to handle or enter any financial information into the system. This process was established in January 2024. <b>Complete</b></p> <p><b>Board of Professional Counselors and Therapists Response:</b> To ensure compliance with financial controls, the Board is reviewing user access permissions within the system. Employees processing collections will not have the capability to issue or renew licenses, certificates, or permits or update billing records. We are working with IT and fiscal management to finalize the access restriction policy and ensure its proper implementation. <b>Estimated Completion Date: June 30, 2025.</b></p>		
<b>Recommendation 4d</b>	Agree	<b>Estimated Completion Date:</b>	See below
<b>Please provide details of corrective action or explain disagreement.</b>	<p><b>Board of Nursing Response:</b> Board of Nursing has an existing process for the segregation of duties between license issuance/renewal and the collection of fees. Additionally, when the Fiscal department does account for the payments received quarterly they are provided a list of applicants/renewals to reconcile with. Quarterly reviews will be conducted to ensure compliance with the addition of new administrative, fiscal and operational staff. <b>Estimated Completion Date: April 30, 2025.</b></p> <p><b>Board of Morticians and Funeral Directors Response:</b> The Board now performs regular reconciliations between licenses issued and related collections, with designated staff responsible for reconciliations to include the Executive Director. This includes a secondary review and approval process to confirm accuracy. There is also documentation of each reconciliation to support audit and compliance requirements. <b>Complete</b></p>		

**Maryland Department of Health  
Regulatory Services**

**Agency Response Form**

	<p><b>Board of Residential Child Care Response:</b> The Board of Residential Child Care has periodically reconciled licensing activity with the related collections. Monthly reconciliation of checks is performed by comparing the Cashlog Month to Date Income Report (shows revenue received), and the Revenue Detail Report from R*STARS by the Executive Director and the Deputy Director verifies that the reconciliation is completed accurately. Reconciliation are completed monthly by the Executive Director and Deputy Director. <b>Complete</b></p> <p><b>Board of AUD/HAD/SLP/MP Response:</b> Agrees with the recommendation and will periodically reconcile activity with the related collections. Reconciliations are completed weekly by the Licensing Manager. <b>Estimate Completion Date: June 30, 2025.</b></p> <p><b>Maryland State Board of Dental Examiners (MSBDE) Response:</b> A new Fiscal Administrator was hired in July 2024. Upon the hiring of the Fiscal administrator the responsibility of completing the reconciliations monthly was assigned to this position. Since the filling of the position, the reconciliations are recorded and reported monthly. <b>Complete</b></p> <p><b>Board of Pharmacy Response:</b> The Board will periodically reconcile licensing activity with the related collections. The Board’s IT is working on developing a tool that will allow for a spreadsheet matching the ACH amounts sent to the bank account and the amounts in the database and credit card system will be established and verified every month for accuracy. <b>Estimated Completion Date: June 30, 2025.</b></p> <p><b>Board of Professional Counselors and Therapists Response:</b> The Board is committed to strengthening its financial oversight by reconciling licensing activities with the corresponding collections. We have established a process for periodic reconciliation, where designated personnel will cross-check financial records and licensing transactions. This effort aims to enhance accountability and accuracy in financial reporting. <b>Complete</b></p>		
<b>Recommendation 4e</b>	Agree	<b>Estimated Completion Date:</b>	See below
<b>Please provide details of corrective action or explain disagreement.</b>	<p><b>Board of Nursing Response:</b> The Board of Nursing exhausted all resources at its disposal to research and investigate the \$386,000 in unrecorded credit card collections. The Board will fully detail these efforts, and provide available supporting documentation, in a memo to</p>		

**Maryland Department of Health  
Regulatory Services**

**Agency Response Form**

	<p>the MDH Office of Finance, and IAC/S. <b>Estimated completion date: June 30, 2025.</b></p> <p><b>Maryland State Board of Dental Examiners (MSBDE) Response:</b> A process to collect outstanding fees has been put into place beginning in October 2024. These uncollected fees are reported monthly by the Fiscal Administrator. The fiscal administrator receives a report listing all returned items for the previous month. The responsible party is contacted in an attempt to collect the funds. Returned check fees are accessed. The Board is unable to connect a licensee to the \$1600 as there is no point of reference to make the connection. If the Board can be provided with the FMIS data the Board can try. Without a correlation of the licensee to the check it will be difficult, but the Board is willing to investigate. <b>Estimated completion date July 31, 2025.</b></p> <p><b>Board of Pharmacy Response:</b> Authorize.net does not permit credit cards that do not have sufficient funds to be accepted. Should this occur, The Board of Pharmacy immediately notifies the individual of non-payment and informs them their license would not be issued. The Board of Pharmacy is currently working on a process to put in place where we can identify the missing funds noted by OLA. We are working on a report that will clear that issue up by April 1, 2025. Once we have a working report for this we will have it implemented and work with our vendor to have a process to review this monthly by the end of FY25. <b>Estimated Completion Date: June 30, 2025.</b></p> <p><b>Board of Professional Counselors -</b> The Board will review past transactions to identify and recover any fees that were not properly collected or deposited. We are working closely with Finance to conduct a thorough assessment and implement appropriate recovery procedures. <b>Estimate Completion Date: July 31, 2025.</b></p>
--	---

**Criminal Background Checks**

**Finding 5 (Policy Issue)**  
**Ten HPBCs did not require criminal background checks when an individual applied to become a licensed health professional and/or obtain subsequent alerts of criminal activity. As a result, several active licensees convicted of crimes of moral turpitude were not identified.**

# Maryland Department of Health Regulatory Services

## Agency Response Form

We recommend that the HPBCs consult with legal counsel to pursue the necessary steps to

- a. require criminal background checks for all applicants, and
- b. obtain alerts when licensed health professionals are convicted of criminal activity and take appropriate disciplinary action.

Agency Response			
<b>Analysis</b>	<b>Factually Accurate</b>		
Please provide additional comments as deemed necessary.			
<b>Recommendation 5a</b>	Agree	<b>Estimated Completion Date:</b>	See below
Please provide details of corrective action or explain disagreement.	<p><b>Board of Acupuncture 3/31/25 Response:</b> As shared in the previous responses, BOA has initiated research on its options to expand its access to criminal background information for applicants and existing licensees. For example, BOA agreed to participate in the disciplinary action tracking initiative created by the National Commission on Acupuncture and Oriental Medicine in 2023. This database is reviewed when applications are evaluated for licensure. Additionally, preparatory work is in process to receive reports from the National Practitioner Databank, thus having access to another tool to objectively evaluate the <i>good character</i> of applicants and licensees. BOA appreciates OLA’s recommendation and in response is:</p> <ol style="list-style-type: none"> <li>1. in discussion with its Board about the recommendation and its operational impact (increased time from application to licensure), and</li> <li>2. in discussion with other HPBCs about a joint effort to obtain access to CJIS and Rap Back next legislative season. <b>Estimate Completion Date: April 30, 2026.</b></li> </ol> <p><b>Board of Examiners of Optometry Response:</b> The Maryland Board of Examiners in Optometry’s Criminal History Records Check Bill passed during the 2024 Legislative Session but did not go into effect until October 1, 2024. Although the Bill went into effect, the Board could not request applicants to complete their CHRC (Criminal History Records Checks) due to the Federal backlog for ORI numbers. Effective 2/13/2025, Board staff was notified that an ORI Number has been issued for the Maryland Board of Examiners in Optometry. Effective March</p>		

# Maryland Department of Health Regulatory Services

## Agency Response Form

2025 Board staff recently received information: (fingerprint cards, privacy rights forms, applicant notification form, Live Scan form) from CJIS (Criminal Justice Information Systems) to begin the process for requesting Criminal History Records Check. Fingerprint cards have been mailed to out-of-state licensees/applicants, as well as the Live Scan form has been mailed to in-state licensees/applicants. The application requires applicants to complete character and fitness questions on their application. In addition, licensees are required to inform the Board of any criminal activities they are involved in, and complete a self query through the National Practitioner Data Bank. Board staff is currently waiting to receive the results of the Background Checks from those licensees who were required to complete a background check as of October 1, 2025, expected completion by **December 1, 2025**.

**Maryland State Board of Dental Examiners (MSBDE) Response:**

The Board currently does not have regulations that require a criminal background check. The Board uses character and fitness attestation questions on both the initial and renewal applications to uncover criminal activity. Alerts are received from the National Practitioners Data Bank as they are received.

**Board of Pharmacy Response:** Board of Pharmacy does not have statutory authority to run criminal background checks on all license applications.

The Board of Pharmacy is currently required to conduct criminal background checks on Pharmacy Technicians only through our legislation. Any criminal background information about a technician is presented to the board to approve or deny the application. Since our regulations do not require us to do criminal background checks on all licensees, we can not conduct them.

**Board of Dietetic Practice Response:** The Board does not have the authority for criminal background checks. Applicants and licensees self report criminal background on initial and renewal applications. However, the Board will study the issue and will determine whether to submit future legislation. The Board will discuss this issue at the next Board meeting. If they approve it, it will be submitted for legislation during the next legislative session. The earliest implication would probably be in 2027.

**Board of Environmental Health Response:** The (BEHS) has been doing self reporting for 45 years. The (BEHS) does not have statutory authority to require background checks.

**Maryland Department of Health  
Regulatory Services**

**Agency Response Form**

<b>Recommendation 5b</b>	Agree	<b>Estimated Completion Date:</b>	See below
Please provide details of corrective action or explain disagreement.	<p><b>Board of Acupuncture 2/17/25 Response:</b> See response to recommendation “a”.</p> <p><b>Board of Examiners of Psychologists Response:</b> In 2019, the Board of Psychologists began requiring background checks of its licensees every six (6) years by the passing of HB912 in 2019 because CJIS did not include the health boards in the Rap Back program. To date, the program is still not operational for the health boards. When CJIS implements this program to the Board, the Board will submit legislation to replace the requirement for every six years with the Rap Back program. In addition, licensees are required to inform the Board of any criminal activities they are involved in, and the Board uses the National Practitioner Data Bank to report incidents and check for incidents of licensees.</p> <p><b>The Board of Physical Therapy Examiners (MBPHTE) Response:</b> MBPHTE receives notifications regarding licensed physical therapy practitioners who have been convicted of criminal offenses from the FSBPT and NPDB. The license renewal application requires applicants to respond to character and fitness questions pertaining to investigations and convictions within this jurisdiction, as well as in any other state or foreign country, encompassing both felonies and misdemeanors. MBPHTE is actively engaged in the exploration of supplementary alert systems. Should viable additional supplementary alert systems be identified, the Board of Directors will confer with Board Counsel to evaluate the potential for adoption and determine whether legislative action is warranted. <b>Estimated Completion Date: December 31, 2025.</b></p> <p><b>The Board of Podiatric Medical Examiners (“Board”) Response:</b> STATUTE§16–302.1 provides the authority for mandatory requirement to require a background Check CJIS result before each issuance of a license. The Board may deny a license if the applicant or licensee is convicted of or pleads guilty to a crime involving moral turpitude, or other issues related to unacceptable Background Check results. In the past 7 years since the General Assembly passed legislation for the Board to obtain the CJIS Reports before license issuance, the Board submitted several types of via States’ Licensure Affidavits, NPDB search, and self-reporting at the time of license issuance and renewals, which would have also included and identified criminal actions, outcomes and penalties for such. Subsequently, there was no adverse impact on any license issuance. Nevertheless, the Board appreciates and accepts the OLA recommendation to obtain alerts via the Rap Back option, when licensed</p>		



**Maryland Department of Health  
Regulatory Services**

**Agency Response Form**

podiatrists are convicted of criminal activity and to take appropriate disciplinary action. Subsequently, the Board voted unanimously, at their February 13, 2025, Public Meeting, to propose legislation to add the opportunity for Rap Back alerts addressing convictions of criminal activity, and the maintaining of this process throughout the ownership of the professional license.

**Board of Optometry Response:** The Board of Optometry will request background checks to be completed as soon as all information is received from the Criminal Justice Information Systems. **Estimated Completion Date: December 1, 2025.**

**Maryland State Board of Dental Examiners (MSBDE) Response:** The Board utilizes character and fitness questions on both the initial and renewal applications. If there are any yes answers to these questions, the Board will then investigate the incident that has been reported by the applicant. The Board receives alerts from the National Practitioners Data Bank when activity is reported. This information is used to assist with the investigation.

**Board of Morticians and Funeral Directors Response:** Currently, the Board does not receive automatic alerts when licensed health professionals are convicted of crimes post-licensure. To address this gap: Collaboration with CJIS will be necessary to establish a process for obtaining timely alerts regarding criminal activity involving licensed professionals. The Board will evaluate such alerts under its existing disciplinary framework, considering factors such as the severity of the offense and potential risks to public safety. Any disciplinary action will align with the Board’s statutory authority and due process requirements. The Board remains committed to upholding high professional and ethical standards while ensuring compliance with state regulations. We look forward to working with OLA and CJIS to enhance our oversight mechanisms and protect public welfare.

**Board of Pharmacy Response:** Board of Pharmacy currently does not have the authority to additionally request alerts on licensees that have a criminal history.

**Board of Dietetic Practice Response:** Board will study the issue and will determine whether to submit future legislation. The Board will discuss this issue at the next Board meeting. If they approve it, it will be submitted for legislation during the next legislative session. The earliest implication would probably be in 2027.

**Maryland Department of Health  
Regulatory Services**

**Agency Response Form**

	<p><b>Board of Environmental Health Response:</b> The (BEHS) has been doing self-reporting for 45 years. The (BEHS) does not have statutory authority to require background checks.</p>
--	---

**Maryland Department of Health  
Regulatory Services**

**Agency Response Form**

**Information Systems Security and Control**

The Office of Legislative Audits (OLA) has determined that the Information Systems Security and Control section, including Findings 6 through 9 related to “cybersecurity,” as defined by the State Finance and Procurement Article, Section 3.5-301(b) of the Annotated Code of Maryland, and therefore are subject to redaction from the publicly available audit report in accordance with the State Government Article 2-1224(i). Although the specifics of the following findings, including the analysis, related recommendations, along with MDH’s responses, have been redacted from this report copy, MDH’s responses indicated agreement with the findings and related recommendations.

**Finding 6**  
**Redacted cybersecurity-related finding.**

**Agency Response has been redacted by OLA.**

**Finding 7**  
**Redacted cybersecurity-related finding.**

**Agency Response has been redacted by OLA.**

**Finding 8**  
**Redacted cybersecurity-related finding.**

**Agency Response has been redacted by OLA.**

**Finding 9**  
**Redacted cybersecurity-related finding.**

**Agency Response has been redacted by OLA.**

AUDIT TEAM

**Robert J. Smith, CPA**  
**Heather A. Warriner, CPA**  
Audit Managers

**R. Brendan Coffey, CPA, CISA**  
Information Systems Audit Manager

**David R. Fahnestock, CPA**  
Data Analytics Manager

**Nathan H. Suffin, CPA**  
Senior Auditor

**Edward O. Kendall, CISA**  
Information Systems Senior Auditor

**Charles H. Hinds, IV, CPA**  
Data Analytics Senior Auditor

**Jammie A. Brown**  
**Anna M. Charocopos**  
**Kareem R. Jackson**  
**Yuvaraj N. Sharma**  
Staff Auditors

**Charles O. Price**  
Information Systems Staff Auditor