

## **Attachment VI: Impact on Expenditures and Enrollment**

## Maryland Medicaid Section 1115 Demonstration Extension Application 2027-2031

### Impact on Expenditures and Enrollment

The following tables contain a budget/allotment neutrality assessment of the current demonstration approval period as well as projections for the projected extension period. The latest data includes recent expenditure and member month data, as well as projections through the end of Maryland's current demonstration period. The Department's proposed application for an extension of the HealthChoice demonstration is not expected to have a material impact on Medical Assistance Program enrollment or associated expenditures. Please see the tables below for current information.

Note that tables 1 and 2 are based on managed care organization capitation payments. Tables 3 and 4 include all expenditure information, both capitation payments and fee-for-service expenditures. Member month projections are based on Maryland's current enrollment trends. Expenditure projections are based off of the President's Budget Average Annual Rate Change for Medicaid.<sup>1</sup>

**Table 1. Demonstration Years (DY) HealthChoice Actual and Projected Member Months and Expenditures (Prior Demonstration Period)**

	Prior Demonstration Period					
	DY 26 (6 months)	DY 27	DY 28	DY 29	DY 30 Projected	DY 31 (6 months) Projected
	Jan. 1, 2022- June 30, 2022	July 1, 2022- June 30, 2023	July 1, 2023- June 30, 2024	July 1, 2024- June 30, 2025	July 1, 2025- June 30, 2026	July 1, 2026- Dec. 31, 2026
<b>Member Months</b>	8,832,360	18,346,095	17,874,723	14,938,761	15,160,801	7,693,070
<b>Expenditures</b>	\$3,765,883,977	\$7,786,723,609	\$7,727,764,925	\$6,599,592,001	\$7,086,207,374	\$3,804,320,429

\*Note, DY 29 expenditures reflect expenditures through May 2025.

**Table 2. Demonstration Years HealthChoice Projected Member Months and Expenditures (Requested Demonstration Period)**

	Current Demonstration Period					
	DY 31 (continued, 6 months)	DY 32	DY 33	DY 34	DY 35	DY 36 (6 months)
	Jan. 1, 2027- June 30, 2027	July 1, 2027- June 30, 2028	July 1, 2028- June 30, 2029	July 1, 2029- June 30, 2030	July 1, 2030- June 30, 2031	July 1, 2031- Dec. 31, 2031
<b>Member Months</b>	7,807,415	15,846,918	16,082,456	16,321,495	16,564,087	8,405,142
<b>Expenditures</b>	\$4,084,795,480	\$8,771,897,335	\$9,418,608,988	\$10,112,999,718	\$10,858,584,683	\$5,829,569,100

<sup>1</sup> See: <https://www.govinfo.gov/content/pkg/BUDGET-2025-PER/pdf/BUDGET-2025-PER.pdf>.

**Table 3. Demonstration Years HealthChoice and Waiver Programs Actual and Projected Member Months and Expenditures (Prior Demonstration Period) Capitation and Fee-For-Service**

	Prior Demonstration Period					
	DY 26 (6 months)	DY 27	DY 28	DY 29	DY 30 Projected	DY 31 (6 months) Projected
	Jan. 1, 2022- June 30, 2022	July 1, 2022- June 30, 2023	July 1, 2023- June 30, 2024	July 1, 2024- June 30, 2025	July 1, 2025- June 30, 2026	July 1, 2026- Dec. 31, 2026
<b>HealthChoice Enrollment in Member Months*</b>	8,554,992	18,345,733	17,873,987	16,240,355	16,481,741	8,363,357
<b>HealthChoice Expenditures*</b>	\$5,039,760,042	\$11,577,092,412	\$12,333,252,070	\$12,529,811,456	\$13,256,540,521	\$7,012,709,935
<b>Medicaid Aggregate-With Waiver Programs only</b>						
Assistance in Community Integration Services (ACIS) Pilot Program Member Months	1,587	3,934	4,435			
Assistance in Community Integration Services (ACIS) Pilot Program Expenditures	\$1,230,487	\$3,139,362	\$3,122,733			
Adult Dental Program Member Months	19,063					
Adult Dental Program Program Expenditures	\$777,379					
Breast and Cervical Cancer Treatment Program (BCCTP) Member Months	357	664	472			
Breast and Cervical Cancer Treatment Program (BCCTP) Expenditures	\$235,024	\$647,078	\$362,537			
Collaborative Care Model (CoCM) Pilot Program Member Months	1,115	3,510				
Collaborative Care Model (CoCM) Pilot Program Expenditures	\$80,086	\$169,674				
HealthChoice Diabetes Prevention Program (DPP) Pilot Program Member Months	1,099	2,058	4,576	4,602	4,670	2,370
HealthChoice Diabetes Prevention Program (DPP) Pilot Program Expenditures	\$34,180	\$90,720	\$299,780	\$97,340	\$102,986	\$54,479

Increased Community Services (ICS) Member Months	129	219	162	147	149	76
Increased Community Services (ICS) Expenditures	\$50,443	\$75,121	\$84,243	\$87,626	\$92,708	\$49,043
Maternal Opioid Misuse (MOM) Model pilot program Member Months	8	95	299	476	483	245
Maternal Opioid Misuse (MOM) Model pilot program Expenditures	\$1,663	\$19,741	\$51,584	\$97,136	\$102,770	\$54,365
Medicaid Alternative Destination Transport Pilot Program Member Months						
Medicaid Alternative Destination Transport Pilot Program Expenditures						
Presumptive Eligibility for Pregnant Women (PEPW) Member Months	0	2	2	0	2	1
Presumptive Eligibility for Pregnant Women (PEPW) Expenditures	\$0	\$152	\$2,726	\$0	\$761	\$403
<b>Hypothetical Programs</b>						
Residential Treatment for Individuals with Serious Mental Illness Hypo 1 Member Months	7,652	29,373	30,286	29,201	29,635	15,038
Residential Treatment for Individuals with Serious Mental Illness Hypo 1 Expenditures	\$19,848,193	\$51,360,244	\$56,295,225	\$60,423,778	\$63,928,357	\$33,818,101
New Adult Group Hypo 2 Member Months	2,623,463	5,502,342	5,333,051	4,459,893	4,526,182	2,296,728
New Adult Group Hypo 2 Expenditures	\$2,009,551,947	\$4,272,601,080	\$4,376,231,401	\$4,175,823,756	\$4,418,021,534	\$2,337,133,391

Residential Treatment for Individuals w/ SUD Hypo 3 Member Months	50,889	161,902	169,226	169,340	171,857	87,206
Residential Treatment for Individuals w/ SUD Hypo 3 Expenditures	\$63,822,068	\$147,138,703	\$167,475,897	\$208,342,387	\$220,426,245	\$116,605,484
Dental for Former Foster Care Youth Hypo 4 Member Months	172	1,502	2,590	2,952	2,996	1,520
Dental for Former Foster Care Youth Hypo 4 Expenditures	\$16,825	\$95,264	\$169,791	\$209,099	\$221,227	\$117,029
ACIS Hypothetical** Hypo 5 Member Months				3,095	4,509	2,288
ACIS Hypothetical** Hypo 5 Expenditures				\$2,198,497	\$3,331,919	\$1,690,721
Reentry Demonstration Hypo 6 Member Months					5820	2,910
Reentry Demonstration Hypo 6 Expenditures					\$8,100,888	\$4,050,444.00
Reentry Non-Services Hypo 6 Aggregate Expenditures					\$10,000,000	\$10,000,000

\* Inclusive of: TANF Adults 0-123; Medicaid Children; Medically Needy Adult; Medically Needy Children; SOBRA Adults; SSI/BD Adults; SSI/BD Children

\*\*ACIS providers transitioned to claims billing effective January 1, 2025. As of the time of this analysis data for DY 29 are preliminary, given claims runout.

**Table 4. Demonstration Years HealthChoice and Waiver Programs Actual and Projected Member Months and Expenditures (Current Demonstration Period) Capitation and Fee-For-Service**

	Current Demonstration Period (Projected)					
	DY 31 (6 months)	DY 32	DY 33	DY 34	DY 35 Projected	DY 36 (6 months)
	Jan. 1, 2027- June 30, 2027	July 1, 2027- June 30, 2027	July 1, 2028- June 30, 2029	July 1, 2029- June 30, 2030	July 1, 2030- June 30, 2031	July 1, 2031- Dec. 31, 2031
<b>HealthChoice Enrollment in Member Months*</b>	8,487,664	17,227,639	17,483,699	17,743,565	18,007,293	9,137,471
<b>HealthChoice Expenditures*</b>	\$7,419,447,112	\$15,699,550,088	\$16,610,123,993	\$17,573,511,185	\$18,592,774,834	\$9,835,577,887
<b>Medicaid Aggregate-With Waiver Programs only</b>						
Assistance in Community Integration Services (ACIS) Pilot Program Member Months						
Assistance in Community Integration Services (ACIS) Pilot Program Expenditures						
Adult Dental Program Member Months						
Adult Dental Program Program Expenditures						
Breast and Cervical Cancer Treatment Program (BCCTP) Member Months						
Breast and Cervical Cancer Treatment Program (BCCTP) Expenditures						
Collaborative Care Model (CoCM) Pilot Program Member Months						
Collaborative Care Model (CoCM) Pilot Program Expenditures						
HealthChoice Diabetes Prevention Program (DPP) Pilot Program Member Months	2,405	4,882	4,954	5,028	5,103	2,589
HealthChoice Diabetes Prevention Program (DPP) Pilot Program Expenditures	\$57,639	\$121,965	\$129,039	\$136,523	\$144,441	\$76,409

Increased Community Services (ICS) Member Months	77	156	158	161	163	83
Increased Community Services (ICS) Expenditures	\$51,887	\$109,793	\$116,161	\$122,899	\$130,027	\$68,784
Maternal Opioid Misuse (MOM) Model pilot program Member Months	249	505	512	520	528	268
Maternal Opioid Misuse (MOM) Model pilot program Expenditures	\$57,518	\$121,709	\$128,768	\$136,237	\$144,138	\$76,249
Medicaid Alternative Destination Transport Pilot Program Member Months						
Medicaid Alternative Destination Transport Pilot Program Expenditures						
Presumptive Eligibility for Pregnant Women (PEPW) Member Months	1	2	2	2	2	1
Presumptive Eligibility for Pregnant Women (PEPW) Expenditures	\$426	\$902	\$954	\$1,009	\$1,068	\$565
<b>Hypotheticals Programs</b>						
Residential Treatment for Individuals with Serious Mental Illness Hypo 1 Member Months	15,261	30,976	31,437	31,904	32,378	16,430
Residential Treatment for Individuals with Serious Mental Illness Hypo 1 Expenditures	\$35,779,551	\$75,709,529	\$80,100,682	\$84,746,522	\$89,661,820	\$47,431,103
New Adult Group Hypo 2 Member Months	2,330,865	4,731,019	4,801,338	4,872,701	4,945,126	2,509,313
New Adult Group Hypo 2 Expenditures	\$2,472,687,128	\$5,232,205,963	\$5,535,673,909	\$5,856,742,995	\$6,196,434,089	\$3,277,913,633

Residential Treatment for Individuals w/ SUD Hypo 3 Member Months	88,502	179,635	182,304	185,014	187,764	95,277
Residential Treatment for Individuals w/ SUD Hypo 3 Expenditures	\$123,368,602	\$261,047,962	\$276,188,743	\$292,207,691	\$309,155,737	\$163,543,385
Dental for Former Foster Care Youth Hypo 4 Member Months	1,543	3,131	3,178	3,225	3,273	1,661
Dental for Former Foster Care Youth Hypo 4 Expenditures	\$123,817	\$261,996	\$277,192	\$293,269	\$310,278	\$164,137
ACIS Hypothetical** Hypo 5 Member Months	2,288	4,788	4,859	4,932	5,005	2,540
ACIS Hypothetical** Hypo 5 Expenditures	\$1,690,721	\$3,536,197	\$3,588,756	\$3,642,097	\$3,696,231	\$1,875,585
Reentry Demonstration Hypo 6 Member Months	2,910	5820	5820	5820	5820	2,910
Reentry Demonstration Hypo 6 Expenditures	\$4,050,444.00	\$8,100,888	\$8,100,888	\$8,100,888	\$8,100,888	\$4,050,444.00
Reentry Non-Services Hypo 6 Aggregate Expenditures	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000

\* Inclusive of: TANF Adults 0-123; Medicaid Children; Medically Needy Adult; Medically Needy Children; SOBRA Adults; SSI/BD Adults; SSI/BD Children

\*\*ACIS providers transitioned to claims billing effective January 1, 2025. As of the time of this analysis data for DY 29 are preliminary, given claims runout.