



DEPARTMENT OF HEALTH

Wes Moore, Governor · Aruna Miller, Lt. Governor · Laura Herrera Scott, M.D., M.P.H., Secretary

May 29, 2024

The Honorable Guy J. Guzzone, Chair
Senate Budget and Taxation Committee
3 West Miller Senate Office Bldg.
Annapolis, MD 21401-1991

The Honorable Ben Barnes, Chair
House Appropriations Committee
121 House Office Bldg.
Annapolis, MD 21401-1991

Re: 2023 Joint Chairmen's Report (p. 127) – Report on Community First Choice and Community Options Waiver Financial and Registry Data

Dear Chairs Guzzone and Barnes:

In keeping with requirements of the 2023 Joint Chairmen's Report (p. 127), enclosed is the Maryland Department of Health's (MDH) report on the Community First Choice program and the Home- and Community-Based Options ("Community Options") waiver financial and registry data. It is the second of two reports that will be submitted by MDH on this subject.

If you have any comments or questions, please contact Sarah Case-Herron, Director of Governmental Affairs, at sarah.case-herron@maryland.gov.

Sincerely,

Laura Herrera Scott, M.D., M.P.H.
Secretary

cc: Marie Grant, JD, Assistant Secretary for Health Policy
Sarah Case-Herron, JD, Director, Office of Governmental Affairs
Ryan B. Moran, Deputy Secretary, Health Care Financing and Medicaid
Tricia Roddy, Deputy Director, Office of Health Care Financing and Medicaid
Sarah Albert, Department of Legislative Services (5 copies)



**Report on Community First Choice (CFC) Program and Home and
Community-Based Options Waiver (“Community Options”)
Financial and Registry Data**

Pursuant to the 2023 Joint Chairmen’s Report (p. 127)

December 2023

Joint Chairmen’s Report (p. 127) on Community First Choice (CFC) Program and Home and Community-Based Options Waiver (“Community Options”) Financial and Registry Data

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Introduction

Recent efforts to expand home and community-based services (HCBS) have led to significant increases in Community First Choice (CFC) program expenditures, including spending under the Community Options Waiver. The committees request that the Maryland Department of Health (MDH) submit two reports on CFC program spending. The reports will include monthly enrollment, utilization, and cost data that aligns with actual budget expenditures under the CFC program, and this second iteration includes updated data that reconciles to actual spending in FY 2022 and FY 2023. Each report also provides:

- the number of Community Options waiver slots filled in FY 2023 and FY 2024 year to date;
- the number of Community Options waiver applications sent to individuals on the registry each month and the results of that outreach (including the number of applications returned and processed);
- updates on changes to registry operations to improve efficiency in taking individuals off of the registry and efforts to determine financial and medical eligibility for individuals while they remain on the registry;
- the number of individuals on the Community Options waiver registry; and
- an update on any activities or efforts to implement the plan to reduce the Community Options waiver registry by 50% submitted to the General Assembly in February 2023.

Monthly Enrollment Data and Expenditure Data FY 2022 and FY 2023

The federal Public Health Emergency (PHE), as a result of the COVID-19 pandemic, and the subsequent maintenance of effort (MOE) between states and the Centers for Medicaid and Medicare Services (CMS) impacted the expenditure, enrollment, and utilization data for FY 2022 (July 1, 2021 – June 30, 2022) and FY 2023 (July 1, 2023 - June 30, 2023) because participants could not be disenrolled from Medicaid and its programs, regardless of the participant no longer meeting program eligibility requirements. The MOE provision was in effect from March 18, 2020 and through March 31, 2023.

Effective April 1, 2023, the MOE was decoupled from the PHE through the Consolidated Appropriations Act of 2023¹ signed into law by Congress on December 29, 2022. As a result, the Maryland Department of Health (MDH) began its conservative unwinding efforts to disenroll Medicaid participants from its programs who were no longer eligible. MDH's unwinding strategy will take one (1) full year to complete as participants are reassessed for financial, medical, and technical eligibility criteria upon their annual Medicaid redetermination. As such, expenditure, enrollment, and utilization data may include individuals who would have otherwise been ineligible for Medicaid benefits absent the MOE.

The enrollment, utilization, and expenditure data are derived from the Hilltop Institute's² monthly waiver and program enrollment trends report which is submitted to MDH on a quarterly

¹ <https://www.congress.gov/bill/117th-congress/house-bill/2617/text>

² The Hilltop Institute is a nonpartisan research organization at the University of Maryland, Baltimore County. The Hilltop Institute collaborates with MDH to conduct objective, evidence-based research and analysis to inform state health policy.

basis. Medicaid providers have one (1) year from the date the service is provided to submit claims for services rendered. As such, MDH will need additional time to analyze actual expenditures in consideration of the time allocated for claims submission and payment. The data reported in Tables 1 through 3 has been updated with claims data received through September 30, 2023.

Community Options and CFC Enrollment

Table 1: FY 2022 and FY 2023 Community Options and Community First Choice (CFC) Enrollment Data³

Month	FY 2022		FY 2023	
	Community Options Enrollees*	Community First Choice Users*	Community Options Enrollees*	Community First Choice Users*
July	4,202	15,594	4,003	16,483
August	4,194	15,573	4,005	16,753
September	4,193	15,351	4,001	16,629
October	4,166	15,392	4,024	16,661
November	4,151	15,397	4,020	16,805
December	4,128	15,544	4,015	16,942
January	4,099	15,646	4,000	17,174
February	4,059	15,591	3,987	17,120
March	4,032	15,996	3,993	17,417
April	4,021	16,045	3,976	17,323
May	4,013	16,245	3,989	17,628
June	4,013	16,509	3,970	17,758

* Users represent individuals who received services in the period shown, while enrollees represent those with a waiver span regardless of whether they received services. Data through September 30, 2023. Source: MMIS2.

** Reductions observed during the COVID-19 Public Health Emergency Maintenance of Eligibility period may be attributed to death as well as participant choice, *i.e.*, users electing to switch to other programs.

³ Source: Hilltop Report: *Monthly Waiver and Program Enrollment Trends_Service Level_October_2023*

Community Options Utilization and Enrollment Data

Table 2: FY 2022 and FY 2023 Community Options Utilization and Expenditure Data⁴

Month	FY 2022			FY 2023		
	Unique Users*	Total Waiver Cost**	Total Non-Waiver Cost**	Unique Users*	Total Waiver Cost**	Total Non-Waiver Cost**
July	2,305	\$4,419,006	\$14,816,182	2,267	\$4,592,484	\$15,514,817
August	2,284	\$4,422,443	\$14,793,030	2,302	\$4,798,502	\$15,731,143
September	2,266	\$4,250,467	\$13,937,654	2,251	\$4,562,055	\$15,072,366
October	2,273	\$4,326,098	\$14,430,654	2,220	\$4,650,238	\$15,737,679
November	2,250	\$4,107,153	\$14,446,814	2,184	\$4,523,040	\$14,749,568
December	2,249	\$3,934,680	\$14,467,406	2,208	\$4,616,951	\$15,243,499
January	2,247	\$3,654,865	\$14,863,648	2,185	\$4,609,750	\$15,995,139
February	2,176	\$3,452,892	\$13,679,888	2,194	\$4,124,693	\$14,085,269
March	2,182	\$4,008,162	\$15,046,041	2,183	\$4,705,239	\$15,691,471
April	2,185	\$3,837,622	\$14,225,981	2,142	\$4,332,255	\$15,162,982
May	2,246	\$3,919,963	\$14,338,206	2,104	\$4,348,184	\$15,333,969
June	2,285	\$4,065,325	\$14,029,198	2,088	\$4,088,274	\$14,559,309

*Users represent individuals who received services in the period shown, while enrollees represent those with a waiver span regardless of whether they received services. Data through September 30, 2023. Source: MMIS2.

**Providers have one (1) year from the date of service to submit claims. As such, the expenditure data will be updated as additional claims are received.

In Table 2 above, waiver expenditures reflect those services that are included in the Community Options Waiver specifically, while non-waiver services are State Plan services that participants are entitled to receive as part of their Medicaid coverage, and include items such as pharmacy and durable medical equipment and disposable medical supplies. Additionally, Community Options waiver participants can access CFC services; thus, CFC expenditure data is inclusive of CFC participants and Community Options waiver participants receiving CFC services.

⁴ Source: Hilltop Report: *Monthly Waiver and Program Enrollment Trends_Service Level_October_2023*

Community First Choice Utilization and Expenditure Data

Table 3: FY 2022 and FY 2023 Community First Choice (CFC) Utilization and Expenditure Data⁵

Month	FY 2022		FY 2023	
	Community First Choice Users*	Total Cost**	Community First Choice Users*	Total Cost**
July	15,594	\$37,311,197	16,483	\$42,136,118
August	15,573	\$36,690,344	16,753	\$43,008,181
September	15,351	\$35,278,665	16,629	\$42,178,620
October	15,392	\$36,422,099	16,661	\$43,290,880
November	15,397	\$37,507,393	16,805	\$41,877,862
December	15,544	\$37,895,809	16,942	\$43,589,893
January	15,646	\$37,302,597	17,174	\$43,680,200
February	15,591	\$34,329,755	17,120	\$40,058,185
March	15,996	\$38,260,955	17,417	\$45,113,559
April	16,045	\$36,758,134	17,323	\$42,754,921
May	16,245	\$37,869,304	17,628	\$44,760,202
June	16,509	\$36,954,353	17,758	\$43,764,884

*Users represent individuals who received services in the period shown, while enrollees represent those with a waiver span regardless of whether they received services. Data through September 30, 2023. Source: MMIS2.

**Providers have one (1) year from the date of service to submit claims. As such, the expenditure data will be updated as additional claims are received.

Community Options Waiver Slots FY 2022, FY 2023, and FY 2024

The Community Options waiver program was approved for 6,348 slots for FY 2022, FY 2023, and FY 2024. The waiver application was renewed by CMS for a five-year period beginning January 1, 2023. The approved waiver slots remain at 6,348 until Waiver Year 5, beginning January 1, 2027, which is approved for 7,500 slots. In FY 2022, 4,679 of the 6,348 waiver slots

⁵ Source: Hilltop Report: *Monthly Waiver and Program Enrollment Trends_Service Level_October_2023*

were filled; in FY 2023, 4,590 of the 6,348 waiver slots were filled; and in FY 2024 (using claims data through September 30, 2023), 4,051 of the 6,348 waiver slots were filled⁶.

Community Options Waiver Applications

Throughout Calendar Year (CY) 2022, 300 invitations were sent each month to registrants on the Community Options Waiver Registry. Pursuant to SB 28 and SB 636 passed during the 2022 legislative session, MDH is steadily increasing the invitations mailed each month to registrants to apply for the program. In March 2023, MDH invited 400 individuals; in June 2023, MDH invited 500 individuals; and in November 2023, MDH invited 600 individuals. MDH expects to reach and maintain 700 invitations sent monthly as reported in its plan to reduce the waitlist pursuant to SB 636 by spring of CY 2024.

Table 4 below, indicates at least 300 invitations were sent each month in CY 2022. Table 5 is indicative of the metrics for CY 2023 in which 400 invitations were sent beginning March 2023⁷, 500 invitations were sent beginning June 2023, and 600 invitations were sent beginning November 2023.

Pursuant to SB 28, the time in which an individual has to submit an application upon receipt of an invitation was shortened to six (6) weeks. As such, the Office of Long Term Services and Supports (OLTSS) implemented this change in April 2023 with the release of the system enhancement that effectuated the change in time to apply.

Tables 4 and 5 provide additional information such as the number and percentage of applications received, the number of individuals enrolled in the program, and those applications that are pending a decision or have been denied. As applications are received and processed, the metrics reported in tables 4 and 5 may change.

Table 4: CY 2022 Community Options Waiver Yearly Wave Report⁸

	#	# Apps	% of	#	%	%	#	#
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⁶ Source: Hilltop Report: *Monthly Waiver and Program Enrollment Trends Service Level October 2023*

⁷ A system defect occurred in the month of April 2023 which resulted in only 321 invitations being sent. A workaround was quickly implemented to ensure that the increase in invitations could occur as planned for future waves.

⁸ Source: State’s data management system, *LTSSMaryland: Yearly Wave Status Report - CY 2022*

Month	Invites Sent	Received	Invites Applied	Enrolled	Enrolled of Apps	Enrolled of Invites	Pending	Denied
January	303	90	30%	25	28%	8%	21	44
February	304	96	32%	29	30%	10%	18	49
March	300	107	36%	37	35%	12%	29	41
April	303	118	39%	34	29%	11%	29	55
May	301	108	36%	34	31%	11%	26	48
June	300	90	30%	30	33%	10%	25	35
July	300	110	37%	32	29%	11%	24	54
August	303	122	40%	35	29%	12%	27	60
September	304	110	36%	25	23%	8%	39	46
October	306	108	35%	31	29%	10%	38	39
November	305	121	40%	22	18%	7%	50	49
December	306	133	43%	39	29%	13%	54	40
TOTAL	3,635	1,313	36%	373	28%	10%	380	560

Table 5: CY 2023 Community Options Waiver Yearly Wave Report⁹

⁹ Source: State’s data management system, LTSSMaryland: Yearly Wave Status Report - CY 2023

Month	# Invites Sent	# Apps Received	% of Invites Applied	# Enrolled	% Enrolled of Apps	% Enrolled of Invites	# Pending	# Denied
January	304	114	38%	20	18%	7%	57	37
February	308	125	41%	23	18%	7%	63	39
March	406	123	30%	19	15%	5%	65	39
April	322	135	42%	7	5%	2%	85	43
May	405	139	34%	9	6%	2%	93	37
June	500	156	31%	5	3%	1%	118	33
July	505	149	30%	3	2%	1%	124	22
August	509	139	27%	2	1%	0%	125	12
September	501	121	24%	0	0%	0%	116	5
October	504	72	14%	0	0%	0%	72	0
November	600	1	0%	0	0%	0%	1	0
TOTAL	4,864	1,274	26%	88	7%	2%	919	267

Changes to the Community Options Waiver Registry

There have been no changes to the Community Options Waiver Registry to evaluate a registrant's medical or financial eligibility for the program. As such, the Community Options waiver program continues to have a registry instead of a waitlist. Individuals may contact a Maryland Access Point (MAP) site at any time to place his or her name on the registry. MDH trained MAP sites to complete the Level One Screen for all individuals on the registry to determine an individual's risk of institutionalization. The results place the individual into one (1) of six (6) priority groups, with priority group one (1) being the highest. The MAP can complete a Level One Screen at any time based on an individual's request.

In order to determine this risk, MDH worked with the Hilltop Institute to develop an algorithm utilizing data from the Level One Screen. Eighty percent of the individuals invited to apply to the Community Options Waiver each month are prioritized based on risk of institutionalization and 20 percent of those invited are based on length of time on the registry or first come, first served.

Upon receiving an invitation to apply, individuals must submit a Medicaid application to be considered for the program. During the application process, an individual is assessed to determine if the financial, medical, and technical eligibility criteria are met. If all criteria are met,

the applicant is enrolled in the Community Options waiver program. If an applicant is denied for one or more of the three eligibility criteria, the applicant may elect to place his or her name back onto the registry by contacting a MAP site and wait to be invited to apply upon receipt of an invitation.

Community Options Waiver Registrants

Table 6 below provides the total number of registrants on the Community Options Waiver Registry for three points in time - July 1, 2022, July 1, 2023, and November 2023. The total number of registrants is disaggregated into three (3) age groupings - up to age 17, ages 18 through 64, and ages 65 and older. As reflected in the table below, the registry decreased by 12 individuals between July 1, 2023 and November 1, 2023.

Table 6: Community Options Registry Data¹⁰

Registry by Age	July 1, 2022	July 1, 2023	November 1, 2023
Up to 17	131	196	229
18 to 64	5,175	6,581	6,776
65 and over	14,770	18,786	18,546
Total on registry	20,076	25,563	25,551

Update to the Plan to Reduce the Community Options Waiver Registry

MDH’s plan to address the registry is complex and includes strategies specific to each waiver program. For the Community Options Waiver program specifically, MDH must first recruit human resources to effectively complete the necessary tasks to evaluate and enroll applicants within the regulatory timeframes. Additionally, MDH must work to build provider capacity to support the increase in applicants invited to apply from the registry.

MDH has active recruitment efforts underway to hire staff in merit and contractual roles which are currently assigned to OLTSS. OLTSS hired 2 non-clinical plan of service reviewers in June 2023, 1 clinical plan of service review in July 2023, and 4 non-clinical positions to fill various roles in the participant enrollment unit in September 2023. After filling those 7 positions, there are 24 vacancies remaining, which are in various stages of the recruitment process, within 3 OLTSS divisions that support the Community Options waiver program. In addition, and equally important, is MDH’s efforts to augment staffing resources by way of contractual services. Specifically, MDH will be using its utilization control agent (UCA) to perform plan of service reviews by late Spring 2024.

¹⁰ The State’s data management system, LTSS*Maryland*

In addition to staffing resources, provider capacity is critical in ensuring there are enough case managers to serve applicants and participants. OLTSS began partnering with Supports Planning Agencies (SPAs) in April 2023 to build case management provider capacity and prepare for the increased volume of applicants for the Community Options waiver program. SPAs are the case management entities that support applicants and participants with accessing Medicaid and non-Medicaid home and community-based services (HCBS) and supports. SPAs also assist applicants and participants with waiver eligibility determination and maintenance. Since the inception of the Community Options waiver program in 2014, historically, there has been a waitlist for SPA assignments for as many as 300 applicants.

Since April 2023, SPAs have hired additional Supports Planners (SPs) to prepare for increased capacity. In June 2023, OLTSS held its quarterly SPA training and trained 90 new SPs. As of July 2023, there is no longer a SPA assignment waitlist, and applicants for the Community Options, CFC, Community Personal Assistance Services (CPAS), and Increased Community Services (ICS) programs are assigned to a SPA immediately. SPAs are consistently assessing their capacity and hiring new SPs to support Medicaid applicants and participants. OLTSS continues to hold quarterly SPA training to train newly hired SPs, with the next regularly scheduled training in December 2023.

Building provider capacity with the SPA network is only the first step in building provider capacity. The Community Options waiver program offers a broad array of supports that help individuals age in place in their communities and with their families. As services and supports are identified to meet the needs of those individuals who qualify for program enrollment, Medicaid-enrolled providers who provide those services and supports will also need to build capacity to support the increase in volume. Given the nationwide shortage in the direct service professionals and nursing workforces, this hurdle will present a greater challenge.

As mentioned previously, OLTSS is actively expanding its glidepath to increase the number of invitations mailed to registrants on the Community Options Waiver Registry. Beginning March 2023, 400 invitations were mailed to registrants; beginning June 2023, 500 invitations were mailed to registrants; and beginning November 2023, 600 invitations were mailed to registrants. As staffing resources increase, OLTSS will continue to build on the number of invitations sent each month until it reaches 700 invitations, as indicated in MDH's plan to reduce the registry. Additionally, in April 2023, OLTSS implemented the legislated, six-week time limit for individuals to submit an application from the point at which they are invited to apply. Registrants are notified of their invitation to apply in writing and assigned a SP who will also contact them directly to confirm receipt of the invitation. A second notice is sent 21 days after the initial invitation to apply, which is another one of MDH's efforts to remind registrants of the program's invitation to apply and the critical timelines associated with the invitation. If an application has not been received 30 days after the final notice, the registrant is deactivated from the registry and the individual must contact the local MAP to be added onto the registry again.