

**Community First Choice (CFC) Program and Home
and Community-based Options (Community Options)
Waiver Financial and Registry Data**

2025 Joint Chairmen's Report Page 167

Maryland Department of Health

July 2025

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I. Introduction

Pursuant to the 2025 Joint Chairmen's Report, 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 (CO) Waiver. The committees request that the Maryland Department of Health (MDH) submit a report on CFC program spending. The reports will include monthly enrollment, utilization, and cost data that aligns with actual fiscal year 2025 budget expenditures under the CFC program. Each report also provides:

- the number of budgeted CO Waiver slots in fiscal 2025 and 2026;
- the number of CO Waiver slots filled in fiscal 2025;
- the number of CO Waiver applications sent to individuals on the registry each month and the results of that outreach (including the number of applications returned and processed);
- an update 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;
- an update on MDH staffing that supports the CO Waiver, including the number of vacant regular and contractual positions and the status of procuring additional staffing assistance;
- the number of individuals on the CO Waiver registry as of June 30, 2025; and
- an update on activities or efforts to implement the plan to reduce the CO Waiver registry by 50 percent submitted to the General Assembly in February 2023

II. Monthly Enrollment Data and Expenditure Data FY 2025

The enrollment, utilization, and expenditure data are derived from the Hilltop Institute's¹ monthly waiver and program enrollment trends report which is submitted to MDH on a quarterly 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 includes claims data received through March 31, 2025. In the next iteration of this report, the utilization and cost data will be added for the remainder of FY 2025 using claims data received through June 30, 2025.

¹ 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.

Community Options and CFC Enrollment

Table 1: FY 2025 Community Options and Community First Choice (CFC) Enrollment Data²

Month	FY 2025	
	Community Options Enrollees*	Community First Choice Users*
July	3,810	17,840
August	3,809	17,849
September	3,814	17,840
October	3,812	18,071
November	3,824	17,777
December	3,832	17,763
January	3,823	17,788
February	3,797	17,796
March	3,739	16,808

* 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 March 31, 2025. Source: MMIS2.

Community Options Utilization and Enrollment Data

Table 2: FY 2025 Community Options Utilization and Expenditure Data³

Month	FY 2025		
	Unique Users*	Total Waiver Cost**	Total Non-Waiver Cost**
July	1,984	\$4,747,215	\$15,679,375
August	2,005	\$4,691,558	\$15,781,651
September	1,963	\$4,430,042	\$14,984,244
October	1,777	\$4,548,067	\$15,816,906
November	1,743	\$4,208,259	\$14,820,385
December	1,743	\$4,283,119	\$15,320,749

2 Source: Hilltop Report: Monthly Waiver and Program Enrollment Trends_Service Level_April_2025

3 Source: Hilltop Report: Monthly Waiver and Program Enrollment Trends_Service Level_April_2025

Month	FY 2025		
	Unique Users*	Total Waiver Cost**	Total Non-Waiver Cost**
January	1,697	\$4,187,254	\$15,219,646
February	1,646	\$3,756,777	\$13,636,482
March	1,406	\$1,656,210	\$10,894,699

*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 March 31, 2025. 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 CO Waiver, 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, durable medical equipment, and disposable medical supplies. Additionally, CO Waiver participants can access CFC services; thus, CFC expenditure data is inclusive of CFC participants and CO Waiver participants receiving CFC services.

Community First Choice Utilization and Expenditure Data

Table 3: FY 2025 Community First Choice (CFC) Utilization and Expenditure Data⁴

Month	FY 2025	
	Community First Choice Users*	Total Cost**
July	17,840	\$47,781,769
August	17,849	\$48,748,866
September	17,840	\$46,923,692
October	18,071	\$49,288,661
November	17,777	\$46,704,768
December	17,763	\$48,196,234
January	17,788	\$48,398,051
February	17,796	\$44,570,902
March	16,808	\$38,329,309

*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 March 31, 2025. 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.

III. Community Options Waiver Slots for FY 2025 and FY 2026

The CO Waiver program was approved for 6,348 slots for FY 2025. The waiver application was renewed by CMS for a five (5) year period beginning January 1, 2023. The approved waiver slots will remain at 6,348 until waiver year five (5). Beginning January 1, 2027, the number of approved slots will increase to 7,500.

In FY 2025, using claims data through March 30, 2025 to determine filled slots, 4,253 of the 6,348 waiver slots were filled⁵. The slots filled in FY 2025 will be noted in the next iteration of this report once claims data for July 1, 2025 forward have been received. The total number of budgeted slots for FY 2025 was 4,921 enrollees, and for FY 2026 that number will increase to 4,941 enrollees based on the Department of Budget Management's projected 0.4 percent growth assumption in the elderly and disabled adult population.

IV. Community Options Waiver Applications

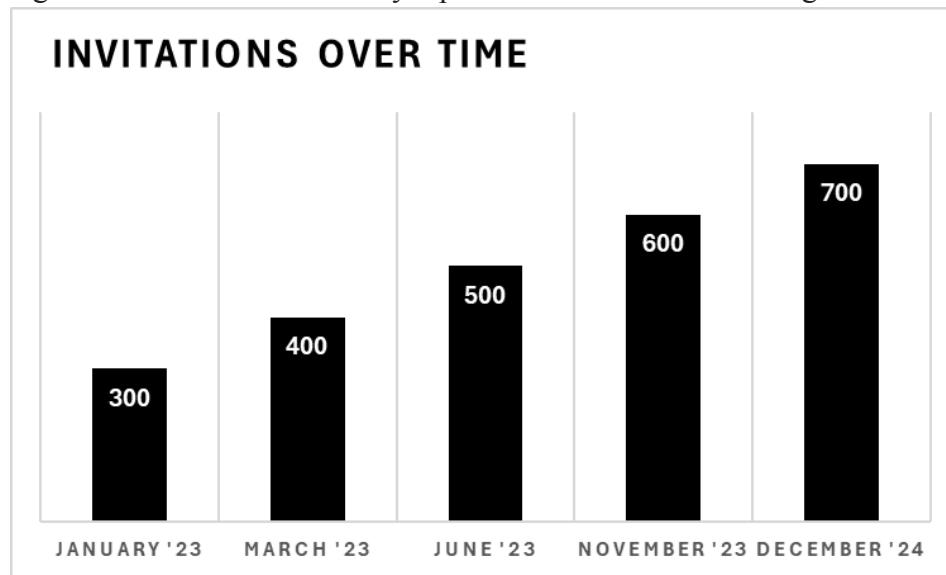
Pursuant to Senate Bill (SB) 28 and SB 636, passed during the 2022 legislative session, MDH steadily increased the number of CO Waiver program invitations mailed each month to registrants. This steady increase in mailed invitations continued throughout calendar year (CY) 2023 as shown in Figure 1. In January 2023, MDH invited a minimum of 300 individuals and gradually increased that minimum invitation number to 400 individuals in March 2023; 500 individuals in June 2023; and 600 individuals in November 2023. Effective December 1, 2024, MDH began inviting a minimum of 700 individuals per month.

Table 4 displays the progression of total invitations mailed for FY 2025 from a minimum of 600 invitations mailed in July 2024 to a minimum of 700 invitations mailed beginning December 2024. Table 4 provides additional information including the number and percentage of applications received, the number of individuals enrolled in the program, and the total number of pending and denied applications. As applications are received and processed, the data reported in Table 4 is subject to change.

Pursuant to SB 28, the response time for an applicant or his/her designee to review and return the completed application was shortened from eight (8) weeks to six (6) weeks from the date the invitation was mailed. As such, the Office of Long Term Services and Supports (OLTSS) implemented this change in April 2023 with the release of a system enhancement that effectuated the reduced application period.

⁵ Source: Hilltop Report: Monthly Waiver and Program Enrollment Trends_Service Level_April_2025

Figure 1: CY 2023 Community Options Waiver Invitation Progression

Table 4: FY 2025 Community Options Waiver Yearly Wave Report^{6,7}

Month	# Invites Sent	# Apps Received	% of Invites Applied	# Enrolled	% Enrolled of Apps	% Enrolled of Invites	# Pending	# Denied
July	601	178	30%	24	13%	*	102	52
August	605	189	31%	20	11%	*	133	36
September	605	193	32%	21	11%	*	116	56
October	608	180	30%	13	*	*	134	33
November	602	168	28%	*	*	*	150	13
December	703	155	22%	*	*	*	138	16
January	701	169	24%	*	*	*	156	11
February	710	194	27%	*	*	*	164	28
March	708	249	35%	*	*	*	212	35
April	704	211	30%	*	*	*	195	16
May	702	149	21%	*	*	*	146	*
June	702	15	*	*	*	*	15	*
Total	7,951	2,050	26%	90	*	*	1,661	299

6 Source: State's data management system, LTSSMaryland: Yearly Wave Status Report - CY 2024

7 Source: State's data management system, LTSSMaryland: Yearly Wave Status Report - CY 2025

*Cell sizes less than 10 have been suppressed.

V. Changes to the Community Options Waiver Registry

There have been no changes to the CO Waiver registry operations to evaluate a registrant's medical or financial eligibility for the program. As such, the CO Waiver continues to maintain a registry instead of a waitlist. Individuals may contact staff at a Maryland Access Point (MAP) site at any time to place his or her name on the registry. MAP staff may complete a Level One Screen at any time upon request. The results of the Level One Screen place the individual into one (1) of six (6) priority groups, with priority group one (1) ranked as the highest priority. CO Waiver registrants placed in priority group one (1) have the greatest probability of receiving an invitation to apply based on their increased risk of institutionalization.

MDH partnered with the Hilltop Institute to develop an algorithm to prioritize monthly invitations for individuals at higher risk for institutionalization utilizing data from the Level One Screen. Of the 700 invitations mailed each month, 80 percent of the individuals invited are prioritized based on a higher risk of institutionalization and 20 percent of those invited are based on length of time on the registry or first come, first served. In calendar year 2024, MDH engaged Hilltop to evaluate the existing algorithm to ensure it was functioning as intended—specifically, identifying individuals at highest risk for institutionalization. The study confirmed that the algorithm was effectively targeting those most at risk. As a result, MDH and Hilltop established a recurring six-month review cycle to assess performance and implement any necessary updates.

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 CO Waiver program. As of May 1, 2025, if a CO Waiver applicant is denied for one (1) or more of the three (3) eligibility criteria, the applicant may elect to submit a reconsideration application within the original six (6) month application period to be reevaluated based on updated financial and/or medical information. MDH has updated the registry invitation letters and denial notices to reflect this operational change. If an applicant is ultimately denied, the applicant may elect to place his or her name on the registry again by contacting staff at a MAP site and wait to be invited to apply upon receipt of an invitation.

VI. Update on Staff Supporting the Community Options Waiver

The Division of Participation Enrollment and Service Review is one (1) of three (3) divisions within OLTSS involved in the operation and administration of the CO Waiver and CFC programs. The Division of Participant Enrollment and Service Review operates the CO Waiver registry and plays a direct role in the enrollment of participants in the CO Waiver and CFC programs. As shown in Table 5, the division has a total of 22 positions, 18 of which are currently filled by both contractual and merit staff. Of the 18 filled positions, three (3) were filled throughout FY 2025. Of the three (3) new staff hired in FY 2024, two (2) provide supplemental support for the CO Waiver as needed. This additional staffing allowed the CO Waiver program to increase the number of invitations mailed to 700 individuals per month beginning December 2024. The division is currently in various stages of active recruitment for the remaining vacant positions. Filling the remaining positions will provide the required support needed for the increased number of CO Waiver invitations.

The Division of Clinical Supports and the Division of Provider Integrity, Claims, and

Compliance are the remaining two (2) divisions involved in the administration and operation of the CO Waiver and CFC programs. As evidenced in Tables 6 and 7, the two divisions have a combined total of 28 positions, 20 merit positions and eight (8) are contractual positions. As of June 30, 2025, four (4) of these positions remain vacant. As evidenced in Table 8, all three (3) divisions have a combined total of 50 positions, eight (8) of which remain vacant. Changes in staffing allocation across the three (3) divisions in the last year are a result of reorganization across OLSS.

Table 5: Staffing for the Division of Participant Enrollment and Service Review

Classification	Filled Merit	Filled Contractual	Vacant Merit	Vacant Contractual	Grand Total
Medical Care Program Specialist II	7	1	0	0	8
Medical Care Program Supervisor	1	0	1	0	2
Health Policy Analyst Associate	0	4	0	2	6
Health Policy Analyst II	1	2	0	0	3
Administrator I	1	0	0	0	1
Administrator III	1	0	0	0	1
Administrator V	0	0	1	0	1
Total	11	7	2	2	22

Table 6: Staffing for the Division of Clinical Supports

Classification	Filled Merit	Filled Contractual	Vacant Merit	Vacant Contractual	Grand Total
Health Policy Analyst Associate	0	2	0	0	2
Health Policy Analyst I	2	0	0	0	2
Health Policy Analyst II	3	0	0	0	3
Social Worker Advanced, Health Services	0	2	0	0	2
Social Work Program Administrator, Health Services	1	0	0	0	1

Nurse Program Consultant/ Administrator I	2	0	1	0	3
Nurse Program Consultant/ Administrator II	1	0	0	0	1
Administrator V	0	0	1	0	1
Total	9	4	2	0	15

Table 7: Staffing for the Division of Provider Integrity, Claims, and Compliance

Classification	Filled Merit	Filled Contractual	Vacant Merit	Vacant Contractual	Grand Total
Medical Care Program Specialist II	4	2	1	0	7
Health Policy Analyst II	1	0	0	1	2
Administrative Officer III	0	1	0	0	1
Administrator I	1	0	0	0	1
Administrator III	1	0	0	0	1
Administrator V	1	0	0	0	1
Total	8	3	1	1	13

Table 8: Staffing Breakdown for all Three (3) Divisions (PESR, CS, PECC)

Division Name	Filled Merit	Filled Contractual	Vacant Merit	Vacant Contractual	Grand Total
Division of Participant Enrollment and Service Review	11	7	2	2	22
Division of Clinical Support	9	4	2	0	15
Division of Provider Enrollment, Claims, and Compliance	8	3	1	1	13
Total Number of	28	14	5	3	50

Positions					
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VII. Community Options Waiver Registrants as of June 30, 2025

Table 9 below provides the total number of registrants on the CO Waiver registry through June 30, 2025. 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.

On July 1, 2024, there were 22,349 registrants on the registry, and on June 30, 2025, there were 23,461 registrants on the registry. This represents a 5 percent increase in total registrants over a twelve-month period, which is attributable to the ability to be added to the registry without undergoing medical or financial eligibility evaluation. For FY 2025, 650 individuals were added to the registry on average each month.

Table 9: Community Options Registry Data⁸

Registry by Age	# of Registrants
Up to 17	353
18 to 64	6,832
65 and over	16,277
Total on registry	23,461

VIII. Update to the Plan to Reduce the Community Options Waiver Registry

MDH partnered with the Vital Statistics Administration and the Hilltop Institute to create a monthly report that identifies deceased individuals on the CO Waiver registry. The first iteration of this report was received by MDH in June 2025, reflecting a total of 2,457 deceased individuals or approximately 10 percent of the total registry census. In July 2025, the Division of Participant Enrollment and Service Review began removing deceased individuals from the registry, and will continue the removal process on a monthly basis as updated reporting is received.

Beginning April 2025, MDH partnered with the Maryland Department of Aging (MDOA) to conduct targeted outreach to registrants residing in a nursing facility; these individuals can apply directly for the CO Waiver without being invited from the registry. MDH identified an initial cohort of 694 registrants to be referred for Options Counseling to assist with submitting an application if the registrant elects to do so. MDH is exploring additional strategies to connect registrants to other home and community-based services while awaiting an invitation from the CO Waiver registry. This includes potential referrals to CFC or the Program of All-Inclusive Care for the Elderly (PACE), which expanded from one (1) provider to four (4).

To further reduce the CO Waiver Registry, MDH must recruit additional human resources to effectuate the waitlist reduction plan reported to the General Assembly in February of 2023. The

⁸ Source: Hilltop Community Options Waiver Registry Dashboard Standard Report

additional staff are necessary to effectively complete the required evaluation and enrollment of CO Waiver registrants invited to apply to the program. In addition to its active recruitment efforts to fill vacant merit and contractual positions, MDH is augmenting staffing resources by utilizing its Utilization Control Agent (UCA), Telligen, to conduct plan of service (POS) determinations. Telligen began conducting independent reviews and rendering POS determinations in June 2024 and is doing so concurrently with the MDH POS review staff. This concurrent review process is a part of MDH's strategic plan to eliminate the current POS backlog by Spring 2026. Significant progress has been made on the POS backlog resulting in decreased wait times for a POS decision to be rendered for CO Waiver applicants navigating the enrollment process. From May 2024 to June 2025 the backlog has decreased by 65 percent with a commensurate reduction in initial and provisional POS pending review for CO Waiver applicants.

In addition to staffing resources, provider capacity is critical in ensuring there are enough direct service professionals to serve applicants and participants. The CO Waiver program offers a broad array of services and supports that allow individuals to 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. MDH staff are actively participating in various forums (e.g., webinars, conferences, and monthly stakeholder engagements) to identify strategies to increase provider capacity. In October 2025, MDH will host its first Interested Parties Advisory Group (IPAG) meeting pursuant to HB1142. The IPAG will advise and consult on Medicaid payment rate sufficiency, ensuring an adequate provider network for access to homemaker services, home health aide, personal care services, and habilitation services⁹.

As previously noted, OLTSS increased the number of invitations sent monthly to individuals on the CO Waiver Registry. At the beginning of FY 2024, at least 500 invitations were mailed each month, rising to at least 700 by December 2024—a 40% monthly increase aligned with the goal of reducing the registry by 50%. However, despite this effort, the registry size remains high, and enrollment numbers remain relatively low. A key factor is the steady influx of new registrants, averaging 650 per month in FY 2025. Other contributing factors include a low response rate to invitations and a high rate of ineligibility among applicants. For FY 2025, 2,484 waiver applications of all types (registry invitations, nursing facility applicants, and others) have been processed, with only 894 (36%) approved and 1,590 (64%) denied¹⁰; some of the applications for which a decision was rendered in FY 2025 may have been submitted in the previous fiscal year. The new opportunity for applicants to request reconsideration, as described earlier, is expected to improve enrollment outcomes from registry invitations and other application pathways.

⁹ <https://health.maryland.gov/mmcp/longtermcare/Pages/Interested-Parties-Advisory-Group.aspx>

¹⁰ Source: State's data management system, LTSSMaryland: CO - Monthly Application Status Report