Maryland
DEPARTMENT OF HEALTH

Wes Moore, Governor · Aruna Miller, Lt. Governor · Meena Seshamani, M.D., Ph.D., Secretary

MARYLAND MEDICAL ASSISTANCE PROGRAM
Waiver for Children with Autism Spectrum Disorder Transmittal No. 34
Waiver for Adults with Brain Injury (TBI) Transmittal No. 14
Community First Choice Transmittal No. 21
Community Personal Assistance Services Transmittal No. 21
Home and Community-Based Options Waiver Transmittal No. 23
Increased Community Services Transmittal No. 10
Model Waiver Transmittal No. 63
Home Health Transmittal No. 80
Medical Day Care Transmittal No. 105
EPSDT Nursing Services Transmittal No. 52
Personal Assistance/Care Services Transmittal No. 56
June 22, 2026

TO: Autism Waiver Providers
Brain Injury Waiver Providers
Community First Choice Providers
Community Personal Assistance Services Providers
Home and Community-Based Options Waiver Providers
Increased Community Services Providers
Model Waiver Providers
Home Health Agency Administrators
Medical Day Care Providers
EPSDT Nursing Services Providers
Personal Assistance/Care Service Providers

FROM: Jamie Smith, Director
Office of Long Term Services and Support

RE: Implementation of Home and Community-Based Services Cost Survey

NOTE: **Please ensure that appropriate staff members in your organization are informed of the contents of this transmittal.**

This transmittal informs providers of the upcoming implementation of a Home and Community-Based Services (HCBS) Cost Survey, effective July 1, 2026. This aligns with the Payment Adequacy provision of the Centers for Medicare and Medicaid Services Ensuring Access to Medicaid Services Final Rule (CMS-2442-F), which requires reporting on the percentage of payments for homemaker, home health aide, personal care, and habilitation services that are spent on direct care worker compensation.

To comply with the rule, Maryland Medicaid developed the HCBS Cost Survey in partnership with Myers and Stauffer LC and the Hilltop Institute to establish a process for annually reporting provider cost, utilization, and workforce data for all HCBS. These data, including the percentage of total Medicaid payments spent on direct care worker compensation for homemaker, home health aide, personal care, and habilitation services, will help assess rate adequacy and support the future transition to a data-driven HCBS rate-setting methodology. This approach will enable evaluation of provider rates and strengthen HCBS program sustainability.

To inform this effort, Maryland Medicaid has convened a provider workgroup, representing a range of organization sizes and service types, to assist with survey design and feasibility. A separate pilot group of providers was then formed to complete and test the HCBS Cost Survey tool. The tool was also presented for feedback to the Interested Parties Advisory Group, which includes representatives from HCBS provider organizations as well as other stakeholders, such as direct care workers and beneficiaries. Maryland Medicaid is currently reviewing feedback from the pilot group to finalize the survey prior to implementation.

Beginning July 1, 2026, all Medicaid-enrolled providers who billed for delivering HCBS from July 1, 2025, through June 30, 2026, will be required to:

(1) Complete the HCBS Cost Survey in its entirety;
(2) Submit accurate and complete financial and operational data for all HCBS billed during the reporting period from July 1, 2025 – June 30, 2026; and
(3) Meet the submission deadline of September 30, 2026.

To support providers in successfully completing the survey, recorded training modules for each section of the survey will be available on the Annual HCBS Providers Cost Survey website before July. Additionally, live question-and-answer sessions will be hosted on the following dates, with specific meeting information to be announced on the website:

(1) July 21, 2026;
(2) August 5, 2026;
(3) August 20, 2026;
(4) September 2, 2026; and
(5) September 15, 2026.

Additional guidance will be sent by email or mail in advance of the launch, and technical assistance will be available before and throughout the data collection period. These notifications will be sent to the individual within the provider agency designated to receive provider revalidation communications. Recipients are responsible for sharing this information with the appropriate internal staff to ensure timely action. To facilitate an accurate and smooth completion process, providers are strongly encouraged to begin gathering relevant financial and operational documentation now.

For more information, please visit the Annual HCBS Providers Cost Survey website. For questions regarding this transmittal, please contact mdhcostsurvey@mslc.com or wajiha.farooqi@maryland.gov.