

**Department of Legislative Services**  
 Maryland General Assembly  
 2026 Session

**FISCAL AND POLICY NOTE**  
**First Reader**

House Bill 1423 (Delegate Wims)  
 Health

**Maryland Department of Health - Workgroup on Home- and Community-Based Services**

This bill requires the Maryland Department of Health (MDH) to convene a Workgroup on Home- and Community-Based Services (HCBS) to review and evaluate the following programs: Community First Choice (CFC); Community Personal Assistance Services; Home- and Community-Based Options (CO) Waiver; Increased Community Services; and Medical Day Care Services Waiver. By October 1, 2027, MDH must submit a report of the findings and recommendations of the workgroup to the Governor, the Senate Finance Committee, and the House Health Committee. **The bill takes effect October 1, 2026, and terminates September 30, 2028.**

**Fiscal Summary**

**State Effect:** MDH expenditures increase by \$70,000 (50% federal funds, 50% general funds) in FY 2027 only for consultant services to assist with the review and evaluation of the required programs. Federal fund revenues increase accordingly.

(in dollars)	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
FF Revenue	\$35,000	\$0	\$0	\$0	\$0
GF/FF Exp.	\$70,000	\$0	\$0	\$0	\$0
Net Effect	(\$35,000)	\$0	\$0	\$0	\$0

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease*

**Local Effect:** The bill does not materially affect local government operations or finances.

**Small Business Effect:** None.

## Analysis

**Bill Summary:** The workgroup consists of: (1) one member of the Senate; (2) one member of the House of Delegates; (3) the Secretaries of Health, Aging, and Human Services (or their designee); (4) one representative of the Medicaid HealthChoice Program; (5) the State Long-Term Care Ombudsman (or their designee); and (6) several members appointed by the Governor. The Secretary of Health (or their designee) must serve as chair. MDH must staff the workgroup.

In reviewing and evaluating the programs, the workgroup must review and as appropriate make recommendations to improve:

- eligibility requirements;
- the current process for applying for and receiving services under the programs;
- the average time it takes for an individual to receive services after an application is submitted;
- barriers to accessing services;
- the number of individuals currently on a wait list to receive services;
- rates of turnover for staff reviewing and processing applications;
- geographic diversity of program providers and recipients;
- reimbursement rates for providers; and
- any other issues identified by the workgroup.

**Current Law:** Medicaid waiver programs allow states to make exceptions to specified rules and enable services to be provided in different settings that are tailored to individuals with different needs or varying income levels. For those who qualify, HCBS waiver programs offer services within the community as an alternative to receiving services in an institution. Applicants must meet specific technical, medical, and financial criteria to receive services.

Chapter 464 of 2022 required MDH to, among other things, develop plans to reduce the waitlists for seven specified waiver programs (including the Family Supports, Community Supports, and Community Pathways waivers) by 50%, beginning in fiscal 2024. In February 2023, MDH [reported](#) plans, and the funding required, to reduce the waitlist and registries for several waiver programs by fiscal 2028.

Chapters 635 and 636 of 2023 authorized funding provided in the fiscal 2023 budget for Autism Waiver expansions to instead be used more broadly for Medicaid waiver expansions. The Acts also authorized funding included in the annual budget bill beginning in fiscal 2024 to reduce the waitlists for specified waiver programs to be used to hire and retain providers.

In the December 2024 [report](#) submitted pursuant to the 2024 *Joint Chairmen's Report* (JCR), MDH provided updated waitlist reduction activities. Pursuant to the 2025 JCR, MDH [reported](#) that efforts to expand HCBS led to significant increases in CFC program expenditures, including spending under the CO Waiver.

**State Fiscal Effect:** The bill requires MDH to convene and staff a workgroup to review and evaluate specified HCBS programs and submit a report to specified committees of the General Assembly by October 1, 2027. This analysis assumes that MDH can convene the workgroup and complete the required report with existing budgeted resources.

MDH advises that consultant services are required to conduct additional analysis of specified HCBS programs. Therefore, MDH expenditures increase by \$70,000 (50% federal funds, 50% general funds) in FY 2027 only. Federal fund revenues increase accordingly.

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### Additional Information

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** None.

**Information Source(s):** Maryland Department of Aging; Maryland Department of Health; Department of Human Services; Department of Legislative Services

**Fiscal Note History:** First Reader - March 8, 2026  
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