



DEVELOPMENTAL DISABILITIES ADMINISTRATION BUDGET HEARING

SENATE BUDGET AND TAXATION COMMITTEE

Friday, February 27, 2026, Miller Senate Building, William Amoss Room, 4th Floor
Senator Guy Guzzone, Chair
Senator Jim Rosapepe, Vice Chair
Health and Human Services Subcommittee
Senator Cory V. McCray, Chair

Please accept the following as the written testimony of Service Coordination, Inc. (SCI) regarding the Developmental Disabilities Administration (DDA) budget proposal for FY 2027.

Introduction

Service Coordination, Inc. (SCI) is a nonprofit, providing conflict-free Targeted Case Management services and advocacy for more than 16,000 people of all ages with disabilities and complex medical needs across Maryland. SCI is the largest nonprofit case management organization in Maryland, employing nearly 1,100 team members, many of whom are Coordinators of Community Services (CCS) and Supports Planners (SP's) for people applying for and enrolled in various Medicaid Waiver and State Plan programs. SCI helps people navigate complex systems by championing choice, fostering community, and nurturing connections.

SCI Team Members currently participate as members of the Maryland Department of Health (MDH) Developmental Disabilities Administration (DDA) Waiver Advisory Council, The Maryland Intellectual and Developmental Disabilities Sustainability and Equity Committee (MIDSEC), the Maryland Department of Health (MDH) Community Options Advisory Council, and other opportunities facilitated by MDH and/or the Governor's office. We are appreciative of these opportunities and want to continue to serve as a resource to members of the Maryland General Assembly and their staff.

SCI Programs Overview

Targeted Case Management, including Coordination of Community Services (CCS) and Supports Planning Services (SPS), operate under Maryland's Medicaid State Plan and in accordance with federal conflict-free case management requirements established by the Centers for Medicare & Medicaid Services. Under the Maryland Department of Health's (MDH) authority, SCI operates two Home and Community Based Services (HCBS) programs that advance our mission of providing quality conflict-free case management to people in a way that honor their individualized needs, choices, and respects their dignity and rights. Our approach promotes individualized support, maximizing generic community-based resources, natural support, and paid services and supports. With an unbiased case management system, people are more likely to receive necessary care and an array of services and resource options that reflect their unique needs, preferences, and choices.

Case managers serve as an independent partner to the Maryland Department of Health, helping to ensure that services — whether delivered through Community Provider or Self Direction models — are person-centered, medically necessary, and aligned with each individual’s goals and health and safety needs. Case managers coordinate across programs and providers, monitor service effectiveness, and make adjustments as needs change over time. This structure supports strong collaboration with community providers while also protecting participant choice, promoting accountability, and strengthening Maryland’s overall compliance and fiscal stewardship within the HCBS system.

Coordination of Community Services (CCS) Program

SCI’s Coordination of Community Services (CCS) Program is authorized under the Maryland Medicaid State Plan Amendment and administered by the Developmental Disabilities Administration (DDA). In this program, SCI serves more than 12,000 people of all ages, between the waitlist and those receiving Home and Community Based (HCBS) services. Those receiving CCS services are people diagnosed before age 22 with an intellectual and/or developmental disability that is likely to continue indefinitely. People supported by the CCS program require ongoing supports to live independently, and/require a combination of special, interdisciplinary, or generic care, treatment, or other services that are individually planned and coordinated. **There are approximately 4,000 people, including children and adults, on the waitlist for DDA services in Maryland**

Supports Planning Services (SPS) Program

SCI’s Supports Planning Services (SPS) Program is authorized under the Maryland Medicaid State Plan Amendment and administered by the Medical Care Programs Administration (MCPA) Office of Long-Term Services and Support (OLTSS). SCI provides Supports Planning case management to over 4,500 people of all ages enrolled in Medicaid Waiver and State Plan Home and Community Based Service (HCBS) programs. Those receiving SPS services require assistance with at least one Activity of Daily Living (ADL), may be nursing home eligible and able to live in the community with essential supports and services. **There are approximately 23,000 people across the lifespan ranging from infancy to end of life stages, who are on the registry waiting for Maryland’s Community Options Waiver services in Maryland.**

Recommendations:

- 1. Continued budget support for people with disabilities, medically complex needs, their families and service providers.**

As provisions of the FY 2027 budget are considered, we request that the Maryland General Assembly prioritize funding for people with disabilities and medically complex needs, including thousands of people on waitlists and registries. **We are concerned about a \$300 million dollar budget cut to DDA services and request that any necessary cost**

containment measures are implemented in ways that minimize harm to people supported and their families. At the same time, we are appreciative of the proposed 8% increase in the DDA budget.

2. Ensure the Maryland Department of Health, Developmental Disabilities Administration, and Eligibility Determination Division (EDD) have sufficient staff and resources to meet their mission and obligations.

A strong Maryland Department of Health is necessary to ensure people can access essential services. IDD and aging programs are complex to administer, and MDH needs funding to recruit and retain skilled staff members, as well as modern systems and tools that support compliance requirements, data-informed management, budgeting and decision making. **We ask for an assessment of MDH's management, staffing, and resource needs and that funding and other resources are allocated to ensure the department can successfully fulfill their obligations to the people of Maryland, including providers across the state.**

3. Ensure adequate funding of rates for Home and Community Based (HCBS) service providers and include cost of living adjustments.

Adequate rates for Home and Community Based (HCBS) providers are essential to ensuring that MDH and community service providers can continue to provide vital supports that enable people to live and work in their communities. In 2017, MDH engaged in an independent and cost-driven rate-setting study, which revealed significant gaps in funding for community-based services and supports. Despite MDH's commitment to capacity-building strategies, which include rate increases, many services are still not funded at 100% of the finalized rates. **SCI recommends upholding the integrity of the rate structure and continued engagement with the representative stakeholder groups to determine strategies for improvement and sustainability.**

4. Ensure robust service options and choices for people with intellectual and developmental disabilities and complex medical needs.

CCS organizations, including SCI, serve people in both Self Direction and Community Provider models. Both models offer waiver participants' service and support choices, control and agency over the services that they need and require to live safely in their communities. It is critical to understand that people with disabilities and complex medical needs require highly individualized care, and those care needs often change over time with age. For example, waiver participants may receive Community Provider model services and Self Direction model services over the course of their lifetimes. **SCI recommends continued engagement with the representative stakeholder groups to ensure availability of services for people with disabilities, access to both Self Direction and Community Provider Managed Models and sustainability and equity across the entire IDD system of care.**

5. Reduce waiting lists for waiver programs and restore funding.

In 2022, the End the Wait legislation was enacted to assist thousands of Marylanders waiting for crucial supports and services. The End the Wait law authorized sufficient funding in the annual budget, and \$6 million in additional funding was added to the FY 2026 budget. However, Maryland waiver program waiting lists and registries remain high. The implementation plan and associated funding are vital so that those in need can receive services. Continued stakeholder engagement to identify and implement best practices to reduce waiting lists is critical. **We request continued funding to support waitlist and registry reduction.**

6. Include funding for expansion for transitioning youth, emergencies, and children with Intellectual or Developmental Disabilities (I/DD), aging out of foster care and entering services in FY 2027.

We wish to highlight the needs of transitioning youth across our state. Young people have endured the effects of the COVID-19 pandemic and a confluence of events that are causing difficulty launching into adulthood, unlike the struggles of previous generations. Young adults with intellectual and/or developmental disabilities, foster care placement and other specific life experiences may need extra support. **We request funding to support qualifying transitioning youth for a year of services as they transition from school to adult services.**

7. SCI's Feedback on DDA Cost Containment Proposals:

SCI is evaluating the DDA cost containment strategies proposed in the FY 2027 operating budget. The following cost containment measures have been proposed: \$300 million total in proposed cost containment through: Standardization of the Reasonable and Customary Wage Methodology (Self-Direction Model), Dedicated and Shared Hour Policy (Provider Model), Restrictions on Low Intensity Support (LISS) and Individual Person-Centered Plan (PCP) Authorization Cap of \$500,000 (Self Direction Model and Community Provider Managed Model).

CCS organizations, including SCI, will be on the frontlines of implementing DDA's proposed cost containment measures—particularly the \$500,000 individual budget cap. According to MDH, approximately 1,600 waiver participants are at or above the proposed cap, including 824 individuals who are already exceeding the cap. Waiver participants with approved budgets that exceed \$500,000 annually represent some of the highest needs across the IDD system. Each of these individuals will require a reassessment and modification of their Person-Centered Plan to reduce authorized budgets and, potentially, services and supports. It is important to recognize that reducing budgets does not reduce medical complexity, acuity, or essential care needs. Notably, the Maryland Department of Health (MDH), Developmental Disabilities Administration (DDA) lacks a standardized process of assessing acuity for waiver participants. For many individuals affected, high costs reflect significant health and safety risks. Cost containment must not result in unintended destabilization, service disruption, or increased reliance on emergency or institutional care. Implementation will be operationally complex. CCS agencies are

responsible for revising plans, coordinating service changes, supporting families through difficult transitions, and ensuring continuity of care. This will require timely guidance, clear exception criteria, realistic implementation timelines, and coordinated oversight across MDH, CCS organizations, and provider agencies. We respectfully request continued and meaningful engagement with stakeholder representatives throughout implementation. We also ask the General Assembly to ensure that any cost containment strategy includes safeguards that protect participant health and safety, preserve due process, and provide transparency regarding impacts and outcomes. **If approved, the proposed DDA cost containment strategies must be implemented in a manner that protects Marylanders with intellectual and developmental disabilities and maintains the stability of the community service system that supports them.**

Contact Information

SCI would like to serve as a resource to members of the Maryland General Assembly and their staff. If you have any questions or would like more information about the services that SCI provides, please contact Sarah Christa Butts, Vice President of Government Relations, at Sarah.Butts@sc-inc.org or at 240-741-2273 or Lisa Carr, Director of Government Relations at Lisa.Carr@sc-inc.org or at [240-405-9888](tel:240-405-9888).