



**SB742: Maryland Medical Assistance Program and Developmental Disabilities Administration -
Home- and Community-Based Services Eligibility Determinations
(Maryland Protecting People With Disabilities Act)**

Testimony for the House Health Committee

March 27, 2026

Position: Favorable

The Arc Maryland is a statewide organization dedicated to protecting and advancing fundamental rights, and access to community, for people with intellectual and developmental disabilities. **We support SB742 because we believe it will ensure Maryland finally is required to fix its very broken, complicated, unresponsive Medicaid and Medicaid Waiver eligibility processes that are causing harm to people with developmental disabilities.**

Maryland is required to follow federal rules related to Medicaid applications, many of which are specifically included in this bill due to urgency stakeholders are feeling that things must improve now.

Since January 2024 (for over two years now) people have been losing their Medicaid for erroneous or procedural reasons, such as a lack of timely processing by DDA and EDD, minor missing documentation that Maryland is required to use exparte protocols or documentation requests to resolve, or computer glitches- IT systems that do not “talk to eachother” and when information does not completely align, a person is disenrolled. These issues have gone on for way too long, and people are losing critical healthcare coverage, and support they need to live in the community.

Even when people, who have lost their Medicaid for these reasons, reapply, some are being told they need to wait for a slot to open up before they can have their services again. This can take months and even years in some cases to resolve.

When people with developmental disabilities lose their Medicaid and waiver eligibility, they lose their services that support them to live in the community. They are at increased risk of institutionalization and the state is at risk of violating Olmstead.

A “pre-pandemic DDA and Maryland Medicaid” used to work with providers when people completed their redetermination packets and there was an issue. If an application wasn’t received on time, there would be a phone call or an immediate letter, asking where the application was. Often we had to provide a copy of what we had previously mailed and evidence of the postmark from when we mailed the item) and it was taken care of- problem solved. If a person with disabilities was overscale/over the asset limit, and the person needed to spend down, the team would work the problem together and within a matter of days, we were able to get people’s Medicaid reinstated. Even though it sometimes took up to a couple of months for some people with complex application issues, providers, CCS, and families worked with DDA and together we ensured people did not have a gap in their critical services. This all changed in 2024.

Maryland has demonstrated a longstanding commitment to community inclusion by closing nearly all of our large public institutions for people with intellectual and developmental disabilities and investing in supports that allow Marylanders with disabilities to live, work, and thrive in the communities of their choosing, with people they choose.

How did all this happen?

When the world pandemic happened, the annual Medicaid Redetermination process was put on hold for people so everyone would maintain their health insurance and HCBS services during this unprecedented time. This lasted a few years until the pandemic ended, and the states were required by the Federal Government to redetermine everyone’s eligibility. Maryland did this systematically, and when it came time for the redetermination of people in DDA waiver services, around January 2024, we saw huge issues: Mass disenrollments, erroneous termination letters, no notice, and other confusion.

While the Secretary of Medicaid acknowledged the mass disenrollments were caused by a system error and reinstated the majority of people erroneously disenrolled, people with IDD have continued to fall out of Medicaid, lose their waiver, or both over the past 24+ months.

One woman we talked to earlier this year missed important cancer treatment appointments when she was disenrolled and unable to re-establish eligibility due to issues at EDD.

Another woman, we spoke with was the mother of an adult with severe autism. Without notice, he was dropped from the waiver and she was notified by her FMCS (Fello) that she was no longer able to have staff paid for his care, or be paid herself (as she was one of his paid caregivers previously, having to quit her job to care for her son). Her son lost his coverage due to a communication/language barrier and misunderstanding. We were eventually able to get her reinstated, but she went without staffing for her son, and without income for weeks.

When people who get services and supports from community providers lose their Medicaid, Providers can no longer get paid and families and people who self-direct cannot access services.

Almost all of DDA's 200+ providers of Developmental Disabilities services report they support several individuals who have lost their Medicaid and waiver. During disenrollment, many have been forced to provide uncompensated care. Even if a person's Medicaid is reinstated, billing is not guaranteed to be paid and this has resulted in **tens of millions in losses to DDA providers**.

What this bill will do:

Following the rules of the Federal government, this bill:

- Requires the State to follow timelines and provide help to prevent Medicaid and waiver services from ending, and if Medicaid coverage has ended, help to get Medicaid back.
- Says Maryland can't end a person's Medicaid when it does not do its part to keep the person continuously enrolled.
- Says Maryland must reinstate a person's eligibility if they were disenrolled for certain reasons.

These rules are not new – they codify the requirements that Maryland should be meeting.

Ensuring timely Medicaid eligibility decisions, preventing procedural terminations, and protecting continuity of HCBS coverage are necessary to fulfill the promise of Olmstead and uphold Maryland's commitment to dignity, inclusion, and equality for all people with disabilities.

Maryland **MUST** do better for people with intellectual and developmental disabilities. We respectfully urge a favorable report on SB742.

For more information, please contact:

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