



# COMMONWEALTH of VIRGINIA

## *Department of Medical Assistance Services*

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**May 14, 2026**

### **MEMORANDUM**

**TO:** The Honorable Luke E. Torian  
Chair, House Appropriations Committee

The Honorable L. Louise Lucas  
Chair, Senate Finance and Appropriations Committee

Michael Maul  
Director, Department of Planning and Budget

**FROM:** Steve Ford  
Director, Virginia Department of Medical Assistance Services

**SUBJECT:** Annual Costs of New Developmental Disabilities Waivers Slots Report

This report is submitted in compliance with Item 288.L.4.c. of the 2025 Appropriations Act, which states:

*4.c. The Department of Medical Assistance Services, in collaboration with the Department of Behavioral Health and Developmental Services, shall separately track all costs associated with the additional slots added in paragraphs 4.a. and 4.b. above. By December 1 of each year, the department shall report this data to the Chairmen of the House Appropriations and Senate Finance and Appropriations Committees and the Director, Department of Planning and Budget.*

Should you have any questions or need additional information, please feel free to contact me at (804) 664-2660.

SF/wrf  
Enclosure

Pc: The Honorable Marvin B. Figueroa, Secretary of Health and Human Resource

# Annual Costs of New Developmental Disabilities Waivers Slots Report, State Fiscal Year 2025

March 2026

## Report Mandate:

**Item 288.L.4.c. of the 2025 Appropriation Act states:**

The Department of Medical Assistance Services, in collaboration with the Department of Behavioral Health and Developmental Services, shall separately track all costs associated with the additional slots added in paragraphs 4.a. and 4.b. above. By December 1 of each year, the department shall report this data to the Chairmen of the House Appropriations and Senate Finance and Appropriations Committees and the Director, Department of Planning and Budget.

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## Background

The Developmental Disabilities (DD) waivers provide Medicaid-funded services and supports to help individuals with developmental and intellectual disabilities live in communities rather than in institutional settings. These waivers include the Community Living (CL) and Family and Individual Support

(FIS) waivers. In compliance with Item 288.L.4, DMAS amended the CL waiver to add 172 new slots in State Fiscal Year (SFY) 2025. Similarly, the FIS waiver was amended to add 1,548 new slots in SFY 25. Those slots were allocated to the Community Services Boards (CSBs) according to Virginia's Centers for Medicare and Medicaid Services (CMS) waiver amendments and state regulations, utilizing the following objective factors and criteria:

1. The region's population,
2. The percentage of Medicaid-eligible individuals in the CSB's catchment area, and
3. Each CSB's percentage of individuals on the "Priority One" portion of the statewide waiting list.

As directed in the Appropriation Act, assignment of the new slots to individuals on the Priority One waiting list was phased in over the course of four quarters through the Waiver Slot Assignment Committee process. As of August 10, 2025, all 172 new CL slots and 1,548 new FIS slots for SFY 25 had been assigned.

Utilization and expenditure data reflect that FY 25 was a ramp-up period. The quarterly rollout of the slots, and the fact that utilization of waiver services for new slot

recipients is usually not immediate, both contributed to the gradual ramp-up in costs. Once an individual is assigned a waiver slot, they must be authorized for services within 150 days. While there can be a delay in uptake, many new waiver enrollees start services relatively quickly. As the date of this report, about 59% of the new slot recipients had received at least one of the waiver services listed in Table 2 of this report. Service utilization and associated costs are expected to increase in the coming years once all newly waiver-enrolled individuals are engaged with the full scope of services they need.

Table 1 below demonstrates the increase in expenditures for the new waiver slots across the four quarters of SFY 25 as individuals were assigned slots and began receiving services. This table includes expenditures for all DD waiver services (detailed in Table 2) for the new waiver slot individuals. New waiver slot members may receive additional Medicaid services not included in this report.

**Table 1: SFY 25 New Waivers Slots Expenditures by Quarter**

<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>SFY 25 Total</b>
<b>\$305,217</b>	<b>\$2,012,277</b>	<b>\$6,115,195</b>	<b>\$12,853,996</b>	<b>\$21,286,685</b>

Table 2 reports the SFY 25 expenditures for the new waiver slots by waiver service.

Expenses for these waiver slots can be expected to grow in SFY 26 as the quarterly rollout of slots continues, as providers bill for services delivered during SFY 25, and as individuals assigned a waiver slot later in SFY 25 are linked to the supports they require.

## **Conclusion**

The large infusion of new waivers slots in SFY 25 has enabled 1,720 more individuals with Developmental Disabilities to access much-needed services and supports. Over \$21 million was expended in SFY 25 to enable these new slot recipients to lead more independent and productive lives in the community. As of the submission date of this report, most new waiver enrollees have begun to fully engage with the services they need in their assigned waiver. Utilization and expenditures are expected to increase over time due to the phased rollout of slots and the delay that can occur in an individual’s uptake of waiver services once enrolled. In accordance with the Appropriation Act mandate, DMAS will submit a report with SFY 26 data no later than December 1, 2026.

**Table 2: SFY 25 New Waiver Slots Expenditures**

<b>Waiver Service</b>	<b>Expenditures by Service for New SFY 25 Slots</b>
Assistive Technology	\$5,077
Benefits Planning	\$916
Consumer Directed Attendant Care	\$3,624,065
Consumer Directed Companion Care	\$90,241
Consumer Directed Respite Care	\$351,912
Center-Based Crisis Supports	\$422,912
Community Coaching	\$92,710
Community Engagement	\$921,114
Community Guide	\$5,953
Community-Based Crisis Supports	\$4,341
Companion Care	\$5,217
Crisis Support Services	\$49,690
Electronic-Based Home Supports	\$14,536
Environmental Modifications	\$7,334
Group Day Support	\$1,074,755
Group Home Residential	\$4,678,074
Group Supported Employment	\$16,080
Independent Living Supports	\$47,280
Individual Supported Employment	\$33,722
In-Home Support Services	\$4,763,388
Peer Mentoring	\$0
Personal Assistance	\$1,511,186
Personal Emergency Response System (PERS)	\$140
Private Duty Nursing	\$788,667
Respite Care	\$124,663
Services Facilitation	\$206,506
Skilled Nursing	\$119,470
Sponsored Residential	\$860,257

<b>Supported Living Residential</b>	\$572,185
<b>Therapeutic Consultation</b>	\$893,276
<b>Workplace Assistance Services</b>	\$1,019
<b>TOTAL</b>	<b>\$21,286,685</b>

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## About DMAS and Medicaid

The mission of the Virginia Medicaid agency is to improve the health and well-being of Virginians through access to high-quality health care coverage. The Department of Medical Assistance Services (DMAS) administers Virginia’s Medicaid and CHIP programs for over 2 million Virginians. Members have access to primary and specialty health services, inpatient care, dental, behavioral health as well as addiction and recovery treatment services. In addition, Medicaid long-term services and supports enable thousands of Virginians to remain in their homes or to access residential and nursing home care.

Medicaid members historically have included children, pregnant women, parents and caretakers, older adults, and individuals with disabilities. In 2019, Virginia expanded the Medicaid eligibility rules to make health care coverage available to more than 600,000 newly eligible, low-income adults.

Medicaid and CHIP (known in Virginia as Family Access to Medical Insurance Security, or FAMIS) are jointly funded by Virginia and the federal government under Title XIX and Title XXI of the Social Security Act. Virginia generally receives an approximate dollar-for-dollar federal spending match in the Medicaid program. Medicaid expansion qualifies the Commonwealth for a federal funding match of no less than 90% for newly eligible adults, generating cost savings that benefit the overall state budget.