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STATE OF ALABAMA

September 29, 2026

The Honorable Robert F. Kennedy, Jr.
Secretary
Department of Health and Human Services
200 Independence Avenue, SW
Washington, D.C. 20201

Dear Secretary Kennedy:

Please accept this letter and its enclosure as my request to extend the Community Waiver Program (CWP) Section 1115(a) Demonstration Waiver authority for an additional five-year period beginning October 1, 2026, through September 30, 2031. The extension application has been prepared by the Alabama Medicaid Agency in conjunction with the operating agency, the Alabama Department of Mental Health.

The purpose of this extension application is to ensure Alabamians continue receiving person-centered, high-quality care in the home and community, while maintaining cost-effectiveness and meeting federal requirements. The application's design will continue to aid in improving access to home and community-based services for individuals with intellectual disabilities while promoting independence, community integration, employment, family preservation, self-direction, and long-term program sustainability.

Thank you for your full consideration of this request. My Administration looks forward to working with you and the Centers for Medicare and Medicaid Services on the extension of the CWP Section 1115(a) Demonstration Waiver.

Sincerely,

A black rectangular box redacting the signature of Kay Ivey.

Kay Ivey
Governor

Enclosure

Alabama Community Waiver Program (CWP)
Section 1115a Demonstration Extension Application

Demonstration Title:

Alabama Community Waiver Program (CWP)

Demonstration Number: 11-W-00365/4

Requested Extension Period:

October 1, 2026 – September 30, 2031



September 28, 2026



KAY IVEY
Governor

Alabama Medicaid Agency

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TIMOTHY "BO" A. OFFORD, JR.
Commissioner

September 28, 2026

Secretary Robert F. Kennedy, Jr.
U.S. Health and Human Services
200 Independence Ave., SW
Washington, DC 20201

Dear Secretary Robert F. Kennedy, Jr.,

The Alabama Medicaid Agency is working closely with the Alabama Department of Mental Health and its Division of Developmental Disabilities (ADMH-DDD) to request an extension to the Community Waiver Program (CWP) Section 1115a Demonstration Waiver authority for an additional five-year period beginning October 1, 2026, through September 30, 2031.

The Demonstration operates concurrently with the CWP Section 1915(c) Waiver. The intent of this extension application is to continue CWP operations while the state evaluates future options for the three existing intellectual disability waiver programs (i.e. CWP, Intellectual Disabilities (ID), and Living at Home (LAH)). The request to extend the specified demonstration waiver extension application will not have a negative impact on Medicaid recipients.

The application's purpose will ensure the continuation of providing person-centered, high-quality care in the home and community, while maintaining cost-effectiveness and meeting federal requirements. The application's design will continue to aid in improving access to home and community-based services (HCBS) for individuals with intellectual disabilities while promoting independence, community integration, employment, family preservation, self-direction, and long-term program sustainability.

There are several continued goals and key objectives within the Demonstration extension application as identified below:

- Expanding access to services;
- Increasing employment outcomes;
- Increasing self-direction;
- Increasing community integration;
- Reducing crisis events;
- Improving provider stability; and
- Lowering average per-person expenditures.

This request aligns with the state's effort to increase access to home and community-based services (HCBS), increase independence of waiver participants, increase community integration, prevent escalation of needs, and continue progress toward provider stability and quality objectives while identifying workforce retention as an area for ongoing improvement.

The enclosed includes all information and content required for an extension application request under Section 431.412 of Title 42 of the Code of Federal regulations, and as further defined in the CMS approved Standard Terms and Conditions, including Interim Evaluation data from the previous Demonstration period and a description of the public and Tribal stakeholder processes facilitated by the Alabama Medicaid Agency.

We look forward to working with you and the Centers for Medicare and Medicaid Services (CMS) on the extension of the CWP Section 1115(a) Demonstration Waiver.

Sincerely,



Timothy "Bo" A. Offord, Jr
Commissioner

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Section 1: Executive Summary

The Alabama Medicaid Agency (Medicaid), working closely with the Alabama Department of Mental Health and its Division of Developmental Disabilities (ADMH-DDD) proposes to extend the Alabama Community Waiver Program (CWP) Section 1115a Demonstration for an additional five-year period beginning October 1, 2026, through September 30, 2031, and requests approval from the Centers for Medicare and Medicaid Services (CMS). The intent of this extension application is to continue CWP operations while the state evaluates future options for the three existing intellectual disability waiver programs (CWP; Intellectual Disabilities (ID) Waiver and Living at Home (LAH) Waiver). The ADMH-DDD conducted a statewide listening tour advising of the State's intent, which received support from families, advocates, and stakeholders. ADMH-DDD staff are exploring opportunities to significantly ease administrative burden and provide clarity of waiver operations among participants, families and providers.

The CWP was approved by CMS in October 2021 and implemented on November 1, 2021, as an innovative demonstration designed to improve access to home and community-based services (HCBS) for individuals with intellectual disabilities while promoting independence, community integration, employment, family preservation, self-direction, and long-term program sustainability. The demonstration was authorized concurrently with the CWP Section 1915(c) waiver.

During the initial demonstration period, Alabama implemented the demonstration model and generated substantial evidence that the program is achieving its intended objectives. Independent evaluation findings¹ demonstrate that the CWP has:

- 1) Expanded access to HCBS services and increased enrollments from the waiting list.
- 2) Reduced average Medicaid expenditures per participant while serving individuals in integrated community settings.
- 3) Increased competitive integrated employment outcomes.
- 4) Increased utilization of self-directed services.
- 5) Increased community living in non-provider-owned settings.
- 6) Reduced crisis incidence and emergency enrollments.
- 7) Improved provider stability and quality indicators.

The State presumes that these outcomes support continuation of the demonstration as an effective and cost-efficient HCBS delivery model for Alabamians with intellectual disabilities.

¹ Interim Evaluation of Alabama's Community Waiver Program Demonstration for the Period November 1, 2021, through September 30, 2024. Health Management Associates. See: <https://mh.alabama.gov/wp-content/uploads/2026/07/SEVREPORTS-83-AL-DMH-CWP-Interim-Report-508.pdf>

Section 2: Background

Prior to implementation of the CWP, Alabama faced significant systemic challenges in serving individuals with intellectual disabilities, including:

- More than 1,600 individuals on the ID waiting list for HCBS services.²
- Per-person waiver expenditures among the highest in the nation.³
- Heavy reliance on provider-owned group homes.⁴
- No availability of Adult Family Homes/Host Homes or Supported Living in the existing waivers.
- Extensive use of facility-based day services.⁵
- Extremely limited competitive integrated employment outcomes.⁶
- Insufficient supports to preserve family living arrangements.⁷
- Limited opportunities for participant self-direction in the existing waivers.

The CWP was designed to address these challenges through a person-centered, community-focused model emphasizing:

- Community integration;
- Family preservation;
- Competitive integrated employment;
- Self-direction;
- Diversified support strategies;
- Prevention of crises and institutionalization;
- Fiscal sustainability.

Section 3: Demonstration Goals for Extension Period

The State proposes to continue the existing demonstration goals as follows:

² Alabama Department of Mental Health, Division of Developmental Disabilities Waitlist Database (January 2020).

³ Medicaid Expenditures for Long-Term Services and Supports in FY2014. Truven Health Analytics. Retrieved 2-27-20 from <https://www.medicaid.gov/sites/default/files/2019-12/ltss-expenditures-2014.pdf>

⁴ Alabama Department of Mental Health, Division of Developmental Disabilities HCBS Utilization Data Report (FY2019).

⁵ Ibid.

⁶ UCP Case for Inclusion (2016). Retried 2-27-20 from: <https://arcalameda.org/content/uploads/sites/12/2016/11/Case-for-Inclusion-2016-FINAL-1.pdf>

⁷ Ibid.

Goal 1

Increase access to HCBS and achieve a corresponding reduction in the waiting list.

Goal 2

Increase independence of participants through competitive integrated employment and opportunities for self-direction.

Goal 3

Increase community integration including use of non-waiver supports and services and introduction of Adult Family Home and Supported Living options to reduce unnecessary placements into group homes.

Goal 4

Prevent escalation of participant needs and avoid institutionalization.

Goal 5

Increase provider stability and service quality.

Section 4: Evidence Supporting Renewal and Continuation of Existing Demonstration Goals

Unless otherwise referenced, the following data points and conclusions can be identified in the CMS approved Alabama Community Waiver Program Interim Evaluation Report which can be reviewed online on Medicaid or ADMH's agency websites as indicated below:

Medicaid:

https://medicaid.alabama.gov/documents/6.0_LTC_Waivers/6.1_HCBS_Waivers/6.1.9_Community_Waiver_Program/6.1.9_Alabama_CWP_Interim%20Report_approved_6.5.26.pdf

ADMH-DDD: <https://mh.alabama.gov/wp-content/uploads/2026/07/SEVREPORTS-83-AL-DMH-CWP-Interim-Report-508.pdf>

Goal 1: Increased Access to Needed Services and Supports

Independent evaluation findings demonstrate substantial progress toward expanding access to HCBS services. Net enrollments excluding new appropriations increased from a historical average of

204 annually to 301 and 293 in Years 2 and 3 respectively with the CWP currently supporting 443 participants enrolled from the waiting list as of the date of this application.⁸

Evaluation findings conclude that the demonstration is making meaningful progress toward expanding access and reducing the percentage of total enrollments that are emergency enrollments, thus implementing services for participants to prevent future emergencies.

Goal 2: Increased Independence of Participants

CWP has demonstrated significantly stronger employment and self-direction outcomes than the existing legacy waiver programs (i.e., ID and LAH waivers).

By Demonstration Year 3:

- 14.0 percent of assessed CWP participants achieved competitive integrated employment compared with 3.0 percent of participants in the legacy waivers.
- Utilization of self-directed services reached 40.1 percent among CWP participants compared with 12.3 percent in the legacy waivers.
- Spending through self-directed services increased to 17.7 percent of total CWP spending compared with 5.3 percent in the legacy waivers.

The independent evaluator concluded that the demonstration is making significant progress toward increasing participant independence.

To align with the legacy waivers, the State submitted an amendment to the CWP⁹ effective February 1, 2026, to expand the available self-direction workforce by allowing legal liable relatives (LLR), including parents, guardians, spouses, or legally responsible relatives to be paid to render specific self-directed CWP services. This flexibility is expected to support the continued growth of self-direction and delivery of services needed to CWP participants when all criteria for approving such arrangements are met, per the waiver.

Goal 3: Increased Community Integration

The independent evaluation found that:

- 84.7 percent of CWP participants lived in settings not owned or controlled by providers, compared with 44.3 percent in legacy waivers.
- Person-centered plans (PCP) increasingly incorporated non-Medicaid support and community resources to meet needs, using waiver services to fill remaining gaps.

⁸ Source for current total enrollments as of the date of this application is Alabama Department of Mental Health, Division of Developmental Disabilities Enrollment Database.

⁹ See:

medicaid.alabama.gov/documents/6.0_LTC_Waivers/6.1_HCBS_Waivers/6.1.9_Community_Waiver_Program/6.1.9_CWP_Amendment_1-21-26.pdf

- Spending patterns reflected greater investment in community integration services and community transportation supports.

The evaluator determined that the demonstration is making significant progress in achieving community integration objectives.

Additionally, Adult Family Home and Supported Living Services were launched through the CWP as new service options for individuals with ID. Nationally, as of 2020, over 66,000 individuals with intellectual and developmental disabilities (IDD) receiving HCBS live in and receive Adult Family Home services.¹⁰ As of 2021, over 145,000 individuals with IDD receiving HCBS received services classified as supported living to live in their own homes.¹¹ Together this represented approximately 39% of all individuals with IDD receiving HCBS residential services. Alabama had neither of these options available before the CWP was launched, leading to high utilization of group home settings. While initial growth of Adult Family Homes and Supported Living Services has been slow, the State recognizes the benefits of having these options available to meet the needs of individuals who need residential services but do not require, or would not benefit as much from, a group home model.

Goal 4: Prevention of Escalation of Needs

Evaluation findings indicate:

- Lower crisis rates among CWP participants than legacy waiver participants.
- Fewer emergency enrollments in CWP counties as compared to counties not included in CWP demonstration where only the legacy waivers operate.
- Evidence is that the demonstration model supports family preservation and early intervention strategies.

The independent evaluator concluded that the demonstration is successfully advancing its prevention goals and reducing reliance on higher-cost services.

Goal 5: Provider Stability and Quality

Provider surveys demonstrate:

- Greater organizational stability among CWP providers.
- Stronger self-assessments of service quality.
- Improved financial indicators.
- Higher provider confidence in capacity to deliver quality services.

¹⁰ Larson, S.A., Neidorf, J., Begin, B.C., Pettingell, S., Sowers, M. (2024). *Long-term support and services for persons with intellectual or developmental disabilities: Status and trends through 2020*. Minneapolis: University of Minnesota, Research and Training Center on Community Living, Institute on Community Integration. DOI: 10.13140/RG.2.2.23380.10883.

¹¹ See: <https://publications.ici.umn.edu/risp/data-bytes/more-people-with-idd-get-services-in-homes-shared-by-three-or-fewer-people> retrieved 6/12/2026.

The independent evaluation found continued progress toward provider stability and quality objectives while identifying workforce retention as an area for ongoing improvement. The CWP¹¹ amendment described in Goal 2 expanded the available workforce by allowing legal liable relatives (LLR) to receive payment for rendering specific self-directed services as documented in the waiver. The State continues to presume this change will increase the available workforce and worker retention rates.

Other Evidence of Quality

Medicaid conducted quality assurance audits of CWP support coordination activities between Q4 2023 and Q4 2025, totaling nine quarters, which resulted in consistent “Pass” results.¹² Medicaid shares audit results with ADMH-DDD.

Participant satisfaction surveys, conducted with a randomly selected sample of CWP participants during quality monitoring, consistently resulted in satisfaction above the minimum threshold of 86%, as required by CMS.¹³

Additionally, ADMH-DDD received only one (1) formal grievance during Year 1 (Y1) and zero (0) during Year 2 (Y2) and 3 (Y3). There were only two (2) formal grievances filed during Year 4 (Y4).¹⁴

Service access and critical incident data trends also show positive quality outcomes as identified below:

- Y3/Q4: 404 participants; 81.2% not waiting for any service; average of 1 critical incident per 12 participants during quarter.¹⁵
- Y4/Q1: 410 participants; 82.2% not waiting for any service; average of 1 critical incident per 29 participants during the quarter.¹⁶
- Y4/Q2: 401 participants; 90% not waiting for any service; average of 1 critical incident per 11 participants during the quarter.¹⁷
- Y4/Q3: 421 participants; 92% not waiting for any service; average of 1 critical incident per 10 participants during the quarter.¹⁸

¹² Source: AMA Audit Findings Letters to ADMH/DDD. Reviewed 6/15/2026.

¹³ Source: CWP Year 4 Annual Monitoring Report. See: https://www.medicaid.alabama.gov/documents/6.0_LTC_Waivers/6.1_HCBS_Waivers/6.1.9_Community_Waiver_Program/6.1.9_CWP_Annual_Monitoring_Report_4-3-26.pdf retrieved 6/15/26.

¹⁴ Ibid.

¹⁵ Source: CWP Year 3 Quarter 4 Monitoring Report. See: <https://www.medicaid.gov/medicaid/section-1115-demonstrations/downloads/al-community-waiver-annl-monitor-rpt-oct-2023-sep-2024.pdf> retrieved 6/15/26.

¹⁶ Source: CWP Year 4 Quarter 1 Monitoring Report. See: <https://www.medicaid.gov/medicaid/section-1115-demonstrations/downloads/al-community-waiver-prog-qtrly-monitor-rpt-oct-dec-2024.pdf> retrieved 6/15/26.

¹⁷ Source: CWP Year 4 Quarter 2 Monitoring Report. See: <https://www.medicaid.gov/medicaid/section-1115-demonstrations/downloads/al-community-waiver-prog-qtrly-monitor-rpt-jan-mar-2025.pdf> retrieved 6/15/26.

¹⁸ Source: CWP Year 4 Quarter 3 Monitoring Report. Available from ADMH/DDD upon request.

Section 5: Cost Effectiveness

Independent evaluation findings show that the CWP continues to produce substantially lower per-person Medicaid expenditures than Alabama's legacy waivers.

In Demonstration Year 3:

- Average monthly cost per participant was \$3,789 in CWP.
- Average monthly cost per participant was \$11,301 in the legacy waivers.

These findings demonstrate that the CWP model achieves improved outcomes while maintaining substantially lower per-person expenditures.

The State expects continued demonstration of cost effectiveness for the targeted IDD population covered under the concurrent 1915(c) waiver throughout Section 1115a extension period due to:

- Lower average per-participant expenditures;
- Reduced reliance on intensive residential services;
- Greater use of self-direction;
- Effective utilization of natural supports and other community supports and services;
- Prevention of crisis-driven service utilization.

Section 6: Elimination of Group 5 Demonstration Population and Associated Expenditure Authority

The State does not request renewal of the Section 1115a expenditure authority associated with the CWP's enrollment Group 5, which was established to provide HCBS to adults with intellectual disabilities who required HCBS but did not meet institutional level-of-care criteria, with the goal being to prevent escalation to a higher level-of-care.

During the initial five (5) year demonstration period, enrollment numbers in Group 5 remained extremely low, resulting in the State acknowledging that while extending Section 1115a demonstration is essential to maintain current CWP operations, continuation of Group 5 is not necessary to achieve the goals and objectives of the overall demonstration. Program operations, participant outcomes, and system transformation efforts have largely been driven by the four (4) Section 1915(c) enrollment groups. Accordingly, ADMH-DDD requests approval from CMS to discontinue the expenditure authority associated with Group 5 effective October 1, 2026.

Section 7: Budget Neutrality Narrative

Overview

CWP demonstrates that it advances the objectives of Title XIX while promoting fiscal sustainability and efficient use of Medicaid resources. During the initial five (5) year demonstration period, the CWP achieved lower per-member expenditures than the legacy waivers while simultaneously improving outcomes related to community integration, competitive integrated employment, self-direction, and family preservation.

During the initial demonstration period, budget neutrality applied to enrollment Group 5, for which expenditure authority was granted through the 1115a demonstration waiver. Budget neutrality for Group 5 was maintained primarily due to low enrollment. (See Appendix A for the budget neutrality table which includes both historical and projected expenditures.) With the State's proposal to eliminate enrollment Group 5, the anticipated unduplicated enrollment for the extension period is zero (0). All future expenditures for CWP services will be associated with the 1915c authority. As detailed in the next section, the 1115a authority and its waivers remain critical for the implementation of the CWP and the benefits available to all enrollees under the concurrent 1915c waiver.

Section 8: Proposed Standard Terms and Condition (STC) Changes

The State proposes no substantive modifications to the current STCs except those necessary to remove references to:

- 1) Enrollment Group 5;
- 2) Expenditure authority language related to Group 5;
- 3) Related reporting requirements specific to Group 5;
- 4) Budget neutrality calculations associated with Group 5.

The State requests that all remaining demonstration requirements, monitoring provisions, evaluation requirements, and reporting expectations remain substantially unchanged for duration of the extension period, unless otherwise permitted by CMS.

The State believes continuation of the existing demonstration framework will provide stability and permit continued evaluation of long-term outcomes. The 1115a authorities will continue benefiting enrollees in the concurrent 1915 CWP waiver, which is expected to grow to over 600 participants enrolled over 7,000 member months with expenditures estimated to total \$27.2 million dollars including state and federal shares.

Section 9: Requested Extension Authorities

Using the authority of section 1115(a)(1) of the Social Security Act (the Act), the State requests the following waivers of State plan requirements contained in section 1902 of the Act to be continued subject to the existing STCs:

Comparability **Section 1902(a)(17)**

To the extent necessary, to enable Alabama to establish annual expenditure caps and enrollment groups within the 1915(c) waiver.

Amount, Duration, and Scope **Section 1902(a)(10)(B)**

To the extent necessary, to enable Alabama to offer a different package of services and/or the same services with different amount, duration, and/or scope to the different enrollment groups within the one 1915(c) waiver.

Reasonable Promptness **Section 1902(a)(8)**

To the extent necessary, to enable Alabama to reallocate the overall annual unduplicated available slots between the four 1915(c) waiver enrollment groups and between the five regions.

Freedom of Choice **Section 1902(a)(23)(A)**

To the extent necessary, to enable Alabama to limit the freedom of choice of providers for Support Coordination services to staff employed by ADMH-DDD, for counties where the Community Waiver Program will operate in Regions 1, 3, 4, and 5 and to limit Support Coordination services to willing and qualified public corporations (that do not have a conflict of interest) outlined in STC 28, that contract with ADMH, known as 310 Boards, for counties where the CWP will operate in Region 2 (or ADMH-DDD if no willing and qualified 310 Boards are available). To the extent necessary, to enable Alabama to limit the number of preferred providers for services authorized in the 1915(c) waiver to maintain sufficient provider capacity as described in the STCs.

Section 10: Justification for Maintaining Existing Demonstration Structure

The independent evaluation demonstrates that the current demonstration structure has successfully achieved its intended objectives. Evaluation findings (See Appendix D) show evidence of progress in:

- Expanding access to services;
- Increasing employment outcomes;
- Increasing self-direction;
- Increasing community integration;

- Reducing crisis events;
- Improving provider stability;
- Lowering average per-person expenditures.

Because the demonstration design is producing positive outcomes, Alabama does not propose significant structural modifications during the requested extension period.

Section 11: Proposed Enhancements for Extension Period

During the requested 1115 demonstration extension period, Alabama proposes to continue the expansion of self-direction, improve workforce capacity, strengthen employment supports, increase community integration and enhance crisis intervention as described below:

Continue to Responsibly Expand Self-Direction

The State intends to increase utilization of participant-directed services and strengthen workforce recruitment and retention through self-directed employment models. In achieving this goal, the State will continue to develop and implement policies and monitoring activities to ensure self-directed services are in full compliance with the CWP waiver.

Improve Workforce Capacity

To address the workforce shortage, the State will continue ensuring CWP participants receive needs-based support while also providing services to participants that complement and sustain their natural support, rather than supplant them. Additionally, CWP will seek to avoid unnecessarily intensive staffing arrangements that are not addressing the participants' needs effectively. By ensuring individuals have appropriate staffing, existing staff resources can be utilized more effectively and to serve more participants. CWP agency providers will also receive information and training on emerging best and evidence-based practices for addressing direct support provider (DSP) turnover and increasing DSP retention. Additionally, ADMH-DDD will develop a formalized partnership with the *Workforce Alabama* (the Alabama workforce system) to leverage resources for CWP providers in their role as employers.

Strengthen Employment Supports

The State will focus on continued growth of CWP participants working in competitive integrated employment or receiving services that are designed to lead to competitive integrated employment. This will include a renewed focus on collaboration with Alabama Department of Rehabilitation Services (ADRS).

Increase Community Integration

The State will continue to facilitate CWP participants living in the least restrictive and most integrated setting available to meet their needs. This will include continuing to expand services that can assist

an individual to live with natural support, Adult Family Home and Supported Living options. Along with these options, the State will continue offering Community Transportation Services and expand the use of Remote Supports and Assistive Technology Services that lead to less dependence on paid staff, while following all the requirements identified in the CWP waiver.

Enhance Crisis Prevention

The State will increase the timely availability of CWP services designed to support participants living in family homes with their families. Additionally, CWP Support Coordinators will implement risk assessments with all participants living with natural support to identify emerging needs and use early intervention strategies to prevent escalation of needs, including prevention of in-patient admissions and out-of-home residential placements.

Section 12: Evaluation Plan for Demonstration Renewal Period

The evaluation will assess whether the CWP continues to meet its goals to improve access to services and support for individuals with intellectual disabilities while promoting independence, community integration, provider quality, and fiscal sustainability.

The evaluation will build upon the methodology approved by CMS during the initial demonstration period to permit longitudinal assessment across ten years of operation.

Evaluation Design

The design for the continuation of the CWP demonstration will be a repeated cross-sectional design (also referred to as time-series design). In general, data related to these measures will be collected and analyzed during each year of the demonstration extension period, providing an opportunity to examine long-term trends in outcomes for individuals, service quality, and provider capacity.

Where relevant and practicable, quasi-experimental design will continue to be employed. As described in more detail below, for many measures, data will continue to be collected from both a treatment group (participants or providers in the CWP) and a comparison group (participants or providers in the legacy waivers) and differences over time and between the CWP and legacy waivers will continue to be analyzed. Where comparisons to the legacy waivers are not relevant, comparisons are made within the CWP and/or overtime. Data from the initial demonstration period and where available pre-demonstration data will be used as additional methods of comparing changes over time and between demonstration participants and legacy waiver participants.

To fully evaluate the impact of the CWP, twenty-seven (27) of the original measures will continue to be used throughout the extension period. Measures related to enrollment Group 5 will be eliminated due to the elimination of this enrollment group as requested in this extension application. Each measure will address one (1) or more hypotheses and is designed to answer one (1) or more evaluation question. The evaluation will rely on both administrative data and

information collected through participant and provider surveys. Together, these data will provide a picture of the ways in which the interventions that comprise the demonstration achieve the overall goals by activating specific drivers as illustrated in the driver diagram.

Target and Comparison Populations

The target and comparison populations, including inclusions and exclusions, will continue to vary by measure, as described in the following section. For most measures, the target population is the full population of individuals enrolled in the CWP or the full population of CWP providers, and the comparison population is all individuals enrolled in the legacy waivers or all legacy waiver providers. For measures that are based on a survey (including the *Provider Stability Survey*, *Accreditation Survey*, and *Individual and Family Support Coordination Satisfaction Survey*), data will continue to be based on the sampling of providers or individuals that respond to each survey. Due to geographically driven differences related to the local economy, workforce issues, and provider capacity, there will continue to be two (2) comparison populations used for different measures. One that considers the legacy waiver programs across the State, and one (1) that only considers the legacy waiver programs in the counties for which the CWP is available.

Evaluation Period

This 1115a demonstration application requests an extension beginning October 1, 2026, through September 30, 2031 and the evaluation will rely upon data collected throughout the five (5) years. The consistent collection and review of data will ensure the State can make data-informed adjustments to the program in a timely manner. For measures that rely on primary data collection from service providers, surveys will continue to be conducted at baseline and mid-point and will be collected in the final year of the extension period to avoid overburdening providers. The interim evaluation report would cover the period beginning October 1, 2026, through September 30, 2029.

Evaluation Measures

The phased-in approach to implementation, including a modest number of enrollments in the initial years of the program and the continued geographic limitations since program inception, will continue to allow the State to provide focused support for implementation, to adjust as warranted, and to conduct a rigorous evaluation of the program's outcomes. Further, the maintenance of the legacy waivers for individuals enrolled in waiver services prior to the demonstration, and those enrolled since who reside in counties not covered by the demonstration, will continue to provide an ideal comparison group.

The measures have been developed in alignment with the stated aim of the demonstration, and the five (5) primary drivers are outlined below:

- 1) Increased access to needed services and supports;
- 2) Increased independence of participants;
- 3) Increased community integration of participants;
- 4) Prevention of escalation of needs of participants;

- 5) Increase stability and quality of providers.

The evaluation will utilize twenty-seven (27) measures to test the State’s hypotheses. Taken together, the measures offer a comprehensive and multifaceted assessment of the impact of the CWP demonstration and the extent to which it is achieving its stated goals.

Data Sources

Various data sources will continue to be utilized to calculate each measure. In general, data sources come from ADMH-DDD and Medicaid systems data, claims data, enrollment data, employment data, PCP data, and crisis reporting. Other sources of data will continue to include the *Provider Stability Survey*, *Accreditation Survey* and *Individual and Family Survey*, which will be administered and analyzed by the evaluation team. Some data, including self-directed claims (or Financial Management System (FMS) data) will continue to be provided by third-party vendors that are contracted with ADMH-DDD to process self-directed claims and payments. The ADMH-DDD *Therap* data source system is ADMH-DDD’s electronic health record database used to track participant records, support coordination activities, employment records, PCPs, and other participant records.

See pages 17-19 for all hypotheses, measurements, and the data sources used for each measurement.

Section 13: Reporting Schedule

The State will submit:

- Full Evaluation Design (within 120 days of approval of extension application)
- Annual Monitoring Reports
- Midpoint Evaluation Report (2029)
- Final Evaluation Report (2031)

Section 14: Implementation Timeline

October 1, 2026

Extension period begins.

- Group 5 expenditure authority discontinued.
- Updated STCs become effective.
- Updated monitoring and evaluation activities initiated.

Demonstration Year 1 (FFY 2027)

- Full Evaluation Design submitted to CMS (within 120 days of approval of extension application)
- Receipt of CMS approval for Full Evaluation Design
- Implement revised evaluation protocols.
- Continue provider capacity monitoring.
- Conduct participant and provider baseline surveys for extension period.
- Submit Annual Monitoring Report.

Hypotheses	Measures	Data Source(s)
The Community Waiver program design will result in increased pace at which eligible individuals will be removed from the waiting list.	Measure 1. Available slots	Summary data from ADMH
	Measure 2. Individuals enrolled from the waiting list	Medicaid enrollment files
	Measure 3. Per-person cost	ADMH payment data (HCBS) and Medicaid payment data (non-HCBS)
The Community Waiver program design will result in a higher percentage of working-age individuals (22-64) enrolled working in integrated competitive employment.	Measure 4. Working-age individuals in competitive integrated employment	Therap
	Measure 5. Growth in number of working-age individuals who work in competitive integrated employment	Therap
	Measure 6. Working age individuals who received services intended to assist with achieving competitive integrated employment	Therap and ADMH payment data
The Community Waiver program design will result in higher utilization of self-direction by participants than in the ID and LAH waivers.	Measure 7. Utilization of self-direction	ADMH payment data
	Measure 8. Spending delivered through self-directed services	ADMH payment data
The Community Waiver program design will result in higher percentage of individuals served living with family or natural support than in residential placements; The Community Waiver program design will result in higher percentage of individuals living in independent or supported living settings not owned or	Measure 9. Individuals living in settings that are not provider-owned or controlled	Therap
	Measure 10. Individuals who continue to live in settings that are not provider-owned or controlled	Therap

Hypotheses	Measures	Data Source(s)
controlled by providers than in the ID and LAH waivers.		
The Community Waiver program design will result in higher incidence of non-waiver supports and services being identified and included in person-centered plans to address individual goals and outcomes as compared to person-centered plans for legacy waiver participants.	Measure 11. Participants with non-Medicaid support in them plans	Therap
	Measure 12. Support strategies not paid by Medicaid	Therap
	Measure 13. Individuals with diverse support strategies in their person-centered plan (PCP)	Therap

Hypotheses	Measures	Data Source(s)
The Community Waiver Program design will result in increased utilization of the full range of services and supports available, consistent with individual goals and outcomes, and decreased utilization of unnecessary or inappropriate services, given individual goals and outcomes, as compared to the legacy waiver programs	Measure 14. Allocation of spending	ADMH payment data
	Measure 15. Service utilization	ADMH payment data
Where the Community Waiver program operates, the annual number of crises among individuals with ID know to ADMH/DDD will be lower than in areas where the Community Waiver program does not operate.	Measure 16. Individuals who Experience a documented crisis	Therap
	Measure 17. Crises experienced by individuals	Therap
	Measure 18. Emergency enrollments due to crises	Therap
The Community Waiver program design will result in self-direction workers with higher average wages and lower average turnover rates than direct support workers employed by provider agencies.	Measure 19. Average hourly wages of direct support workers	FMS Payment Data
The Community Waiver program design will result in participating provider agencies reporting greater stability than prior to program implementation.	Measure 20. Self-reported provider agency stability	Provider Stability Survey (HMA-Administered)
The Community Waiver program design will result in higher performance by providers on service delivery quality measures as compared to providers operating only in the legacy waiver program.	Measure 21. Independent accreditation	Accreditation Survey (HMA-Administered)
	Measure 22. Individual experience	NCI Survey
	Measure 23. Critical Incidents	Therap
The Community Waiver program design will result in higher retention and lower turnover of support coordinators compared to the legacy waiver program.	Measure 24. Turnover rates for support coordinators	Therap
	Measure 25. Continuity of participants' support coordinators	Therap
The Community Waiver program design will result in higher rates of satisfaction with support coordination services among Community Waiver Program enrollees and their families/guardians as compared to legacy waiver program enrollees and their families/guardians.	Measure 26. Individual satisfaction with support coordination services	Individual and Family Survey
	Measure 27. Family/guardian satisfaction with support coordination services	Individual and Family Survey

Demonstration Year 2 (FFY 2028)

- Continue data collection and quality-improvement activities.
- Analyze employment and self-direction trends.
- Submit Annual Monitoring Report.

Demonstration Year 3 (FFY 2029)

- Complete midpoint evaluation.
- Assess progress toward extension goals.
- Submit Midpoint Evaluation Report.
- Submit Annual Monitoring Report.

Demonstration Year 4 (FFY 2030)

- Implement any corrective actions or quality-improvement initiatives identified through midpoint evaluation.
- Continue monitoring and reporting.

Demonstration Year 5 (FFY 2031)

- Complete final data collection.
- Conduct summative evaluation analyses.
- Submit Final Evaluation Report.
- Develop recommendations regarding future waiver and demonstration authorities.

September 30, 2031

End of extension period.

Section 15: Public Input Process

State Process and actions

Pursuant to [42 CFR 431.408](#), CMS requires states to obtain public input regarding applications for a demonstration project, or an extension of an existing demonstration project. Medicaid issued a thirty-five (35) day public comment period beginning August 10, 2026, through September 15, 2026, requesting public input of the Demonstration extension application and Interim Evaluation report. On August 4, 2026, the public notices (full and abbreviated) and Demonstration extension application was published on Medicaid and ADMH-DDD websites, announced to LTC providers via listserv electronic mailing list, and published as an [electronic news article](#) on Medicaid's website. To

demonstrate compliance with CMS's standards, terms and conditions, the Interim Evaluation Report for the period beginning November 1, 2021, through September 30, 2024, was also made available for review and had been published on Medicaid's website since June 5, 2026, following CMS's approval.

The [full public notice](#) provided a comprehensive description of the Demonstration's extension application, goals, eligibility requirements, benefit coverage, expenditure authorities, projected expenditures and the hypothesis and evaluation parameters of the demonstration, as outlined in 42 CFR 431.408. The abbreviated notice summarized the extension's purpose, goals and key objectives.

The [abbreviated public notice](#) was printed in newspapers with widest circulation in cities with a population of 100,000 or more (i.e. Montgomery, Birmingham, Huntsville, Tuscaloosa and Mobile, AL). Hardcopies of the public notice and waiver materials were made available (upon request) at Medicaid Central and District Offices.

The state also published the abbreviated public notice in the [State's Administrative Monthly](#) in accordance with the State's Administrative Procedure Act.

Both the full and abbreviated notices indicated the start and end dates of the public comment process; provided locations and internet addresses (i.e. links) where copies of the extension application and Interim Evaluation report could be located on Medicaid's website; how and where to retrieve hardcopies (i.e. non-electronic) of the notices and documents; instructions for how to submit public input via mail and/or email to Medicaid; locations, dates and times of each public hearing; and instructions on how and where individuals could locate dial-in information to virtually attend the scheduled public hearings.

As directed by the Tribal Consultation section 1902(a)(73) of the Social Security Act, a thirty (30) day public comment letter notifying Alabama's Tribal Government about the proposed Demonstration extension application and Interim Evaluation report was sent via certified mail and email to the Alabama Tribal Chair. The tribal letter was sent via email and certified mail and indicated the start and end dates of the public comment process; described the state's intent for extending the 1115; provided insight on how to review the documents on Medicaid's website; provided instructions on how and where to submit written comments to Medicaid via mail and/or email; and, also detailed any impacts to the Tribe and/or Tribal Government.

In addition to the public comment process, two public hearings were also required and facilitated by Medicaid.

Public Hearings

At least twenty (20) days prior to submitting the extension application, Medicaid held two public hearings, on separate dates and locations to enable opportunity for public input. To comply with federal regulations, the state utilized the Medicaid Advisory Committee (MAC) and Beneficiary Advisory Council (BAC) that operate in accordance with 42 CFR 431.12 to host one public hearing with another hearing being held and facilitated on a separate date, time and geographic location to satisfy public hearing requirements.

Information regarding the dates, times and locations of each hearing was detailed within the full and abbreviated public notices as well as the tribal letter. Each hearing invited the public to attend in-person and enabled the ability to join virtually. To provide special accommodation, each hearing included ASL interpreters for translating purposes. The hearings took place as follows:

August 20, 2026, at 1:00 p.m. (CST)	September 8, 2026, at 2:30 p.m. (CST) (Medicaid Advisory Committee (MAC) public meeting)
Alabama Medicaid Birmingham District Office	Alabama Medicaid Agency
600 Beacon Parkway West, Suite 300	501 Dexter Avenue
Birmingham, Alabama 35209	Montgomery, AL 36103-5624

Both hearings followed the same format, beginning with a brief introduction of the hearing’s purpose and a short presentation provided by ADMH’s CWP Director. The presentation provided brief insight into the state’s intent, goals, and expectations of the Demonstration extension application and data indicated within the CMS approved Interim Evaluation report. The presentation was followed by the invitation for written and oral comments via in-person, phone, email or chat box. Each public hearing was recorded and all live and virtual verbal comments presented were transcribed.

A copy of the full and abbreviated notice can be reviewed in Appendix B. A copy of the Tribal letter to Alabama’s Tribal Chair can be reviewed in Appendix C. A summary of the comments and state responses can be reviewed in Appendix D. ADMH-DDD provided isolated responses to commenters who provided feedback not pertaining to the extension application or Interim Evaluation report.

Conclusion

Based on five (5) years of implementation experience and the findings documented in the CMS approved Interim Evaluation Report, Alabama respectfully requests CMS’s approval to extend the Section 1115a demonstration for the period beginning October 1, 2026, through September 30, 2031.

Based on the findings of the Independent Evaluator, the demonstration has successfully advanced the objectives of Title XIX by expanding access to HCBS, improving participant independence and community integration, preventing institutionalization, strengthening provider quality, and achieving these outcomes at substantially lower per-person costs than traditional service models.

Continuation of the demonstration will allow Alabama to build upon these successes, continue reducing its waiting list, expand opportunities for self-direction and competitive integrated employment, and further transform the State’s HCBS system for individuals with intellectual disabilities.

Appendix A: Budget Neutrality Table

With the State's proposal to eliminate enrollment Group 5, the anticipated unduplicated enrollment for the extension period is zero (0). All expenditures for services going forward will be under the 1915c authority. The State believes continuation of the existing demonstration framework will provide stability and permit continued evaluation of long-term outcomes. The 1115 authorities will continue to benefit the enrollers in the concurrent 1915 CWP waiver, which is expected to grow to over 600 participants enrolled over 7,000 member months with expenditures estimated to total \$25.8 million dollars including state and federal shares.

State of Alabama
Community Waiver Program
Waiver Number: 11-W-00365/4

Historical Expenditures (Total Computable)

	DY1	DY2	DY3	DY4	DY5
DY Begin Date	10/21/2021	10/1/2022	10/1/2023	10/1/2024	10/1/2025
DY End Date	9/30/2022	9/30/2023	9/30/2024	9/30/2025	9/30/2026
MEG: Section 1115 Group 5					
Member Months	-	7.00	-	-	-
Total Expenditures	\$ -	\$ 982.00	\$ -	\$ -	\$ -
Per Capita	\$ -	\$ 140.29	\$ -	\$ -	\$ -

Source: Community Waiver Program PDMA Reporting.

Projected Expenditures (Total Computable)

	DY1	DY2	DY3	DY4	DY5
DY Begin Date	10/1/2026	10/1/2027	10/1/2028	10/1/2029	10/1/2030
DY End Date	9/30/2027	9/30/2028	9/30/2029	9/30/2030	9/30/2031
MEG: Section 1115 Group 5					
Member Months	-	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Per Capita	\$ -	\$ -	\$ -	\$ -	\$ -

Appendix B: Copies of Public Notice(s) requesting public input of Section 1115a Demonstration Extension Application and Interim Evaluation Report

Below are copies of the State's published full and abbreviated public notices requesting public input.

Copy of Full Public Notice:



Alabama Medicaid Agency

501 Dexter Avenue
P.O. Box 5624
Montgomery, Alabama 36103-5624
www.medicaid.alabama.gov
e-mail: almedicaid@medicaid.alabama.gov



KAY IVEY
Governor

Telecommunication for the Deaf: 1-800-253-0799
334-242-5000 1-800-362-1504

TIMOTHY "BO" A. OFFORD, JR.
Commissioner

August 4, 2026

PUBLIC NOTICE

Subject: Notice of intent to submit Alabama Community Waiver Program (CWP) Section 1115a Demonstration extension application

Pursuant to 42 CFR 431.408, the Alabama Medicaid Agency (Medicaid) notifies the public that it intends to submit an Alabama Community Waiver Program (CWP) Section 1115a Demonstration extension application to the Centers for Medicare and Medicaid Services (CMS). A copy of the proposed extension application and Interim Evaluation Report is available at https://medicaid.alabama.gov/content/6.0_LTC_Waivers/6.1_HCBS_Waivers/6.1.9_Community_Waiver_Program.aspx.

Medicaid invites the public to review and submit written comments on the proposed extension application and Interim Evaluation Report beginning August 10, 2026. This thirty-five (35) day public comment period will conclude at 5:00 p.m. CST on September 15, 2026. Written comments can be submitted to the following e-mail address: PublicComment@medicaid.alabama.gov or by mail to: Administrative Secretary, Alabama Medicaid Agency, 501 Dexter Avenue, P.O. Box 5624, Montgomery, Alabama 36103-5624. Comment letters must be postmarked by September 15, 2026, to be accepted.

Upon request, a hard copy of this public notice and documents can be made available for public review at Medicaid's Central Office and each District Office location. Please note that public comments submitted in response to this notice are considered public documents and can be shared on the Medicaid website.

Demonstration Description, Goals, and Objectives

Medicaid, working closely with the Alabama Department of Mental Health and its Division of Developmental Disabilities (ADMH-DDD) is seeking CMS approval to extend the Alabama Community Waiver Program (CWP) Section 1115a Demonstration for an additional five-year period beginning October 1, 2026, through September 30, 2031. The Demonstration operates concurrently with the CWP Section 1915(c) Waiver. The intent of this extension application is to continue CWP operations while the state evaluates future options for the three existing intellectual disability waiver programs (i.e. CWP, Intellectual Disabilities (ID), and Living at Home (LAH)). The request to extend the specified demonstration waiver extension application will not have a negative impact on Medicaid recipients.

The application's purpose will ensure the continuation of providing person-centered, high-quality care in the home and community, while maintaining cost-effectiveness and meeting federal requirements. The application's design will continue to aid in improving access to home and community-based services (HCBS) for individuals with intellectual disabilities while promoting independence, community integration, employment, family preservation, self-direction, and long-term program sustainability.

Goals

The State proposes to continue the existing five (5) demonstration goals as follows:

Goal 1: Increase access to HCBS and achieve a corresponding reduction in the waiting list. Independent evaluation findings demonstrate substantial progress toward expanding access to HCBS services. Net enrollments excluding new appropriations increased from a historical average of 204 annually to 301 and 293 in Years 2 and 3 respectively with the CWP currently supporting 443 participants enrolled from the waiting list as of the date of this application. Evaluation findings conclude that the demonstration is making meaningful progress toward expanding access and reducing the percentage of total enrollments that are emergency enrollments, thus implementing services for participants to prevent future emergencies.

Goal 2: Increased independence of participants. CWP has demonstrated significantly stronger employment and self-direction outcomes than the existing legacy waiver programs (i.e., ID and LAH waivers). The independent evaluator concluded that the demonstration is making significant progress toward increasing participant independence.

Goal 3: Increased Community Integration. Independent evaluation findings determined that the demonstration has made significant progress in achieving community integration objectives. Additionally, Adult Family Home and Supported Living Services were launched through the CWP as new service options for individuals with ID.

Goal 4: Prevention of Escalation of Needs. Independent evaluation findings determined that there are lower crisis rates among CWP participants than legacy waiver participants, fewer emergency enrollments in CWP counties as compared to counties not included in CWP demonstration where only the legacy waivers operate and evidence that the demonstration model supports family preservation and early intervention strategies.

Goal 5: Provider Stability and Quality. The independent evaluation identified continued progress toward provider stability and quality objectives while identifying workforce retention as an area for ongoing improvement.

Throughout the extended Demonstration, Medicaid plans to continue ensuring that Medicaid recipients fully understand their rights and responsibilities by providing timely and adequate notice of eligibility changes, waiver requirements and exemptions, and provide information about appeal rights and due process.

Key Objectives

There are several continued key objectives within the Demonstration extension application as identified below:

- Expanding access to services;
- Increasing employment outcomes;
- Increasing self-direction;
- Increasing community integration;
- Reducing crisis events;
- Improving provider stability;
- Lowering average per-person expenditures.

Because the Demonstration's design is producing positive outcomes, Alabama does not propose significant structural modifications during the requested extension period.

Benefit Coverage

The 1115a Demonstration extension intends to eliminate the fifth (5) enrollment group associated with the CWP; however, this will not reduce the medical benefits currently offered to individuals through the State's Medicaid program. All expenditures for services will be authorized under the 1915(c) authority for Groups 1-4. The 1115a authorities will continue to benefit the enrollees in the concurrent 1915(c) CWP.

Eligibility Requirements

The 1115a Demonstration operates concurrently with the CWP 1915(c) waiver authority, which provides a range of HCBS to individuals ages 3+ with intellectual disabilities (ID). Due to the request to eliminate the fifth (5) enrollment group, there will be four (4) continued distinct enrollment groups. For Medical eligibility, individuals must meet Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF/IID) level of care, retrieve a diagnosis of ID with an age of onset prior to 22, obtain an I.Q. test score of 72 and below, and display significant functional limitations in key areas of life activities. For financial (i.e. Medicaid) eligibility, there will continue to be an income limit (updated annually due to Cost of Living Adjustment (COLA)) per month and resource limit of \$2,000 as of the first day of each month.

Cost Sharing

Medicaid is not proposing any changes to the current Medicaid State Plan cost sharing requirements through this waiver.

Annual Enrollment and Annual Expenditures

With the State's proposal to eliminate enrollment Group 5, the anticipated unduplicated enrollment for the extension period is zero (0). All forthcoming expenditures will be under the 1915(c) authority. Historical and Projected expenditures for the associated Group 5 expenditure authority are indicated below:

State of Alabama

Community Waiver Program

Waiver Number: 11-W-00365/4

Historical Expenditures (Total Computable)

	DY1	DY2	DY3	DY4	DY5
DY Begin Date	10/21/2021	10/1/2022	10/1/2023	10/1/2024	10/1/2025
DY End Date	9/30/2022	9/30/2023	9/30/2024	9/30/2025	9/30/2026
MEG: Section 1115 Group 5					
Member Months	-	7.00	-	-	-
Total Expenditures	\$ -	\$ 982.00	\$ -	\$ -	\$ -
Per Capita	\$ -	\$ 140.29	\$ -	\$ -	\$ -

*Source: Community
Waiver Program PDMA
Reporting.*

Projected Expenditures (Total Computable)

	DY1	DY2	DY3	DY4	DY5
DY Begin Date	10/1/2026	10/1/2027	10/1/2028	10/1/2029	10/1/2030
DY End Date	9/30/2027	9/30/2028	9/30/2029	9/30/2030	9/30/2031
MEG: Section 1115 Group 5					
Member Months	-	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

Per Capita	\$	\$	\$	\$	\$
	-	-	-	-	-

Hypothesis and Evaluation Parameters

Based on five (5) years of implementation experience and the findings documented in the Interim Evaluation Report, the demonstration has successfully achieved its overall goals and advanced the objectives of Title XIX by expanding access to HCBS, improving participant independence and community integration, preventing institutionalization, strengthening provider quality, and achieving these outcomes at substantially lower per-person costs than traditional service models.

To fully evaluate the impact of the CWP, twenty-seven (27) of the original measures will continue to be used throughout the extension period. Measures related to enrollment Group 5 will be eliminated due to discontinuation of this enrollment group, per the State's request within the proposed extension application. Each measure will address one (1) or more hypotheses and is designed to answer one (1) or more evaluation question. The evaluation will rely on both administrative data and information collected through participant and provider surveys. Together, these data will depict the ways in which the interventions that comprise the demonstration achieve the overall goals by activating specific drivers as illustrated in the driver diagram. Evaluation hypotheses, measures and data sources can be identified on pages 17-19 of the drafted proposed extension application.

The measures have been developed in alignment with the stated aim of the demonstration, and the five (5) primary drivers are outlined below:

1. Increased access to services and support;
2. Increased independence of participants;
3. Increased community integration of participants;
4. Prevention of escalation of needs of participants;
5. Increase stability and quality of providers.

The State will plan to submit a Full Evaluation Design; Annual Monitoring Reports; Midpoint Evaluation Report and a Final Evaluation Report during the requested extension period.

Continuation of the Demonstration will allow Alabama to build upon these successes, continue reducing its waiting list, expand opportunities for self-direction and competitive integrated employment, and further transform the State's HCBS system for individuals with intellectual disabilities.

Waiver Authority Sought

Using the authority of section 1115(a)(1) of the Social Security Act (the Act), the State requests the following waivers of State plan requirements contained in section 1902 of the Act to be continued subject to the existing STCs:

Comparability- Section 1902(a)(17)

To the extent necessary, to enable Alabama to establish annual expenditure caps and enrollment groups within the 1915(c) waiver.

Amount, Duration, and Scope- Section 1902(a)(10)(B)

To the extent necessary, to enable Alabama to offer a different package of services and/or the same services with different amount, duration, and/or scope to the different enrollment groups within the one 1915(c) waiver.

Reasonable Promptness- Section 1902(a)(8)

To the extent necessary, to enable Alabama to reallocate the overall annual unduplicated available slots between the four 1915(c) waiver enrollment groups and between the five regions.

Freedom of Choice- Section 1902(a)(23)(A)

To the extent necessary, to enable Alabama to limit the freedom of choice of providers for Support Coordination services to staff employed by ADMH-DDD, for counties where the Community Waiver Program will operate in Regions 1, 3, 4, and 5 and to limit Support Coordination services to willing and qualified public corporations (that do not have a conflict of interest) outlined in STC 28, that contract with ADMH, known as 310 Boards, for counties where the CWP will operate in Region 2 (or ADMH-DDD if no willing and qualified 310 Boards are available). To the extent necessary, to enable Alabama to limit the number of preferred providers for services authorized in the 1915(c) waiver to maintain sufficient provider capacity as described in the STCs.

Comment and Public Input Process

As required by federal regulation, Medicaid is now opening a formal thirty-five (35) day comment period. A copy of the proposed Demonstration extension application, Interim Evaluation report, full and abbreviated public notices and additional information can be found on Medicaid's website at

https://medicaid.alabama.gov/content/6.0_LTC_Waivers/6.1_HCBS_Waivers/6.1.9_Community_Waiver_Program.aspx.

Upon request, a hard copy of all documents can be made available for public review at Medicaid's Central Office and each District Office location. Please note that public comments submitted in response to this notice are considered public documents and can be shared on the Medicaid website.

Written comments concerning the Demonstration extension application and Interim Evaluation report should be submitted on or before September 15, 2026, at 5:00 p.m. CST, to the following e-mail address:

PublicComment@medicaid.alabama.gov or by mail to: Administrative Secretary, Alabama Medicaid Agency, 501 Dexter Avenue, P.O. Box 5624, Montgomery, Alabama 36103-5624. Comment letters must be postmarked by September 15, 2026, to be accepted. All written comments submitted in response to this notice are considered public documents and can be shared on the Medicaid website.

Additionally, two public hearings enabling opportunities for public comment on the Demonstration extension application and Interim Evaluation report will be held at the following locations:

August 20, 2026, at 1:00 p.m.	September 8, 2026, at 2:30 p.m. (Medicaid Advisory Committee (MAC) public meeting)
Alabama Medicaid Birmingham District Office	Alabama Medicaid Agency
600 Beacon Parkway West, Suite 300	501 Dexter Avenue
Birmingham, Alabama 35209	Montgomery, AL 36103-5624

Medicaid will provide teleconference accessibility for both public hearings. Please see the Medicaid website at <https://www.medicaid.alabama.gov/calendar/default.aspx> for dial-in information.

Timothy “Bo” A. Offord, Jr.
Commissioner

Copy of Abbreviated Public Notice:

Alabama Medicaid Agency



501 Dexter Avenue
P.O. Box 5624
Montgomery, Alabama 36103-5624
www.medicaid.alabama.gov
e-mail: almedicaid@medicaid.alabama.gov



KAY IVEY
Governor

Telecommunication for the Deaf: 1-800-253-0799
334-242-5000 1-800-362-1504

TIMOTHY “BO” A. OFFORD, JR.
Commissioner

August 4, 2026

PUBLIC NOTICE

Subject: Notice of intent to submit Alabama Community Waiver Program (CWP) Section 1115a Demonstration extension application

Pursuant to 42 CFR 431.408, the Alabama Medicaid Agency (Medicaid) notifies the public that it intends to submit an Alabama Community Waiver Program (CWP) Section 1115a Demonstration extension application to the Centers for Medicare and Medicaid Services (CMS).

Medicaid, working closely with the Alabama Department of Mental Health and its Division of Developmental Disabilities (ADMH-DDD) is seeking CMS approval to extend the Alabama Community Waiver Program (CWP) Section 1115a Demonstration for an additional five-year period beginning October 1, 2026, through September 30, 2031. The Demonstration operates concurrently with the CWP Section 1915(c) Waiver. The intent of this extension application is to continue CWP operations while the state evaluates future options for the three existing intellectual disability waiver programs (i.e. CWP, Intellectual Disabilities (ID), and Living at Home (LAH)). The request to extend the specified demonstration waiver extension application will not have a negative impact on Medicaid recipients.

The application’s purpose will ensure the continuation of providing person-centered, high-quality care in the home and community, while maintaining cost-effectiveness and meeting federal requirements. The application’s design will continue to aid in improving access to home and community-based services (HCBS) for individuals with intellectual disabilities while promoting independence, community integration, employment, family preservation, self-direction, and long-term program sustainability.

There are several continued goals and key objectives within the Demonstration extension application as identified below:

- Expanding access to services;
- Increasing employment outcomes;
- Increasing self-direction;
- Increasing community integration;
- Reducing crisis events;
- Improving provider stability;
- Lowering average per-person expenditures.

As required by federal regulation, Medicaid will open a formal thirty-five (35) day comment period beginning August 10, 2026. A copy of the proposed Demonstration extension application, Interim Evaluation report, full and abbreviated public notices and additional information can be found on Medicaid's website at https://medicaid.alabama.gov/content/6.0_LTC_Waivers/6.1_HCBS_Waivers/6.1.9_Community_Waiver_Program.aspx.

Written comments concerning the Demonstration extension application and Interim Evaluation report should be submitted on or before September 15, 2026, at 5:00 p.m. CST, to the following e-mail address: PublicComment@medicaid.alabama.gov or by mail to: Administrative Secretary, Alabama Medicaid Agency, 501 Dexter Avenue, P.O. Box 5624, Montgomery, Alabama 36103-5624. Comment letters must be postmarked by September 15, 2026, to be accepted.

All written comments submitted in response to this notice are considered public documents and can be shared on the Medicaid website.

Additionally, two public hearings enabling opportunities for public comment on the Demonstration extension application and Interim Evaluation report will be held at the following locations:

August 20, 2026, at 1:00 p.m.	September 8, 2026, at 2:30 p.m. (Medicaid Advisory Committee (MAC) public meeting)
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Birmingham, Alabama 35209	Montgomery, AL 36103-5624

Medicaid will provide teleconference accessibility for both public hearings. Please see the Medicaid website at <https://www.medicaid.alabama.gov/calendar/default.aspx> for dial-in information.

Upon request, a hard copy of all documents can be made available for public review at Medicaid's Central Office and each District Office location. Please note that public comments submitted in response to this notice are considered public documents and can be shared on the Medicaid website.

Appendix C: Copy of Tribal Letter to Tribal Chair



Alabama Medicaid Agency

501 Dexter Avenue
P.O. Box 5624
Montgomery, Alabama 36103-5624
www.medicaid.alabama.gov
e-mail: almedicaid@medicaid.alabama.gov



KAY IVEY
Governor

Telecommunication for the Deaf: 1-800-253-0799
334-242-5000 1-800-362-1504

TIMOTHY "BO" A. OFFORD, JR.
Commissioner

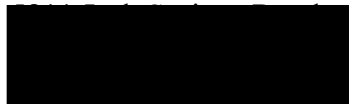
August 10, 2026

VIA CERTIFIED MAIL AND ELECTRONIC MAIL

Stephanie A. Bryan

Tribal Chair & CEO

Poarch Band Indian Health Department



Re: Tribal Consultation for Proposed Section 1115a Demonstration Waiver Extension

Dear Ms. Bryan,

Pursuant to Section 1902(a)(73) of the Social Security Act and Federal Regulation, this notice to the Tribal Government is hereby given to notify the Tribal Government of the Alabama Medicaid Agency's (Medicaid) intent to seek approval of the Alabama Community Waiver Program (CWP) Section 1115a Demonstration extension application for persons with Intellectual Disabilities. The intent of this extension application is to continue CWP operations while the state evaluates future options for the three existing Intellectual Disability Waiver programs (i.e. CWP, Intellectual Disabilities (ID), and Living at Home (LAH)). Additionally, the CWP/1115a Interim Evaluation report is available for review.

The application's purpose will ensure the continuation of providing person-centered, high-quality care in the home and community, while maintaining cost-effectiveness and meeting federal requirements. The application's design will continue to aid in improving access to home and community-based services (HCBS) for individuals with intellectual disabilities while promoting independence, community integration, employment, family preservation, self-direction, and long-term program sustainability. The request to extend the specified Waiver application will not have a negative impact on the Tribal Government.

There are several continued goals and key objectives within the Demonstration extension application as identified below:

- Expanding access to services;
- Increasing employment outcomes;
- Increasing self-direction;
- Increasing community integration;
- Reducing crisis events;
- Improving provider stability;
- Lowering average per-person expenditures.

Medicaid invites Alabama's Tribal Government to submit written comments regarding the extension application and Interim Evaluation report within thirty-five (35) days from the date printed on this letter. Comment letters must be postmarked by September 15, 2026. Please note that comments submitted in response to this notice are considered public documents and can be shared on the Alabama Medicaid website. Comments can be emailed to PublicComment@medicaid.alabama.gov or mailed to the provided address:

Alabama Medicaid Agency
Attn: Administrative Secretary
501 Dexter Avenue, P. O. Box 5624
Montgomery, AL 36103-5624

Additionally, two public hearings enabling opportunity for public comment on this Demonstration extension application and Interim Evaluation report will be held at the following locations:

August 20, 2026, at 1:00 p.m.	September 8, 2026, at 2:30 p.m. (Medicaid Advisory Committee (MAC) public meeting)
Alabama Medicaid Birmingham District Office	Alabama Medicaid Agency
600 Beacon Parkway West, Suite 300	501 Dexter Avenue
Birmingham, Alabama 35209	Montgomery, AL 36103-5624

Medicaid will provide teleconference accessibility for both public hearings. Please see the Medicaid website at <https://www.medicaid.alabama.gov/calendar/default.aspx> for dial-in information.

A copy of the proposed Demonstration extension application, Interim Evaluation report, full and abbreviated public notices and additional waiver information can be found on Medicaid's website at https://medicaid.alabama.gov/content/6.0_LTC_Waivers/6.1_HCBS_Waivers/6.1.9_Community_Waiver_Program.aspx.

Sincerely,



Riyyah James, Associate Director
Specialized Waiver Unit
LTC Healthcare Reform Development Division
riyyah.james@medicaid.alabama.gov

Cc: Angela McMorris (via amcmorris@pci-nsn.gov)

Appendix D: Summary of Public Input

Summary of Public Hearings hosted and facilitated by the Alabama Medicaid Agency

Public Hearing 1:

One (1) person attended the first public hearing in-person. There were no virtual attendees. Individuals were asked to share their comments and could do so by verbally speaking in-person, virtually by phone or in writing utilizing the comment cards provided, email or the virtual chat box. The in-person attendee represented as a parent on behalf of her child who is currently on the waiting list to receive CWP services. The attendee did not provide a written or oral comment. No comments were received during this hearing.

Public Hearing 2:

Approximately 108 individuals (combined total of virtual and in-person) attended the public hearing hosted within the state's September public Medicaid Advisory Committee (MAC) meeting that operates in accordance with 42 CFR 431.12. Individuals were asked to share their comments and could do so by verbally speaking in-person, virtually by phone, chat box, email or in writing utilizing the comment cards provided. The state received a variety of feedback both verbally (in-person) and virtually (via phone or chat box). Commenters spoke on behalf of themselves, family members, waiver participants, provider agencies, and organizations.

Summary of Public Comments submitted to the Alabama Medicaid Agency

Following the conclusion of the public comment period, all written and oral comments received by the State were reviewed. In total, the State received a total of 26 public comments from 22 commenters during the public comment period, including comments from the two public hearings held.

Two commenters submitted comments that were unrelated to the CWP and this 1115a extension application: one addressing Autism services was referred to the ADMH Autism Program Director and one comment concerning the Developmental Disabilities waiting list was referred to the ADMH/DDD Director of Systems Management for follow-up. A total of 24 public comments from 20 commenters were submitted concerning this extension application and interim evaluation report. All comments received through the various submission methods were given equal consideration as part of the State's review process. These are summarized and responded to in this section.

Given the number of comments received, the State has responded to every comment by organizing its responses according to overarching themes and addressing each comment within the applicable theme. The State also distinguished comments based on the perspective of the commenter, where possible, including individuals and families, providers and other stakeholders. This provides a clear representation of the perspectives received during the public comment period and allows the State to respond to the specific comments raised by each type of stakeholder.

Primary Themes

Support for Continuation of CWP and Request for Expansion of CWP to Additional Counties

A number of comments received were in support of the continuation of the CWP.

Summary of Comment: Commenter is a prospective CWP provider that supports the CWP extension and is interested in joining the CWP provider network.

State Response: The State appreciates the commenter's support for the continuation of the CWP, their interest in becoming a CWP provider.

Summary of Comment: The commenter is a provider in a CWP county who expressed support for the CWP extension but requested more data on outcomes, improved access and provider capacity, stronger self-direction, more emphasis on employment opportunities for participants, greater service availability in rural areas and additional transparent program data.

State Response: The State appreciates the commenter's support and recommendations. The State will continue monitoring access, service delivery, provider capacity, employment, self-direction, and program outcomes through the extension period. Stakeholders' feedback regarding rural access, transparency and workforce stability will be considered in ongoing CWP operations and future waiver planning. The State remains committed to ensuring services are delivered effectively, promoting community integration and participant choice, and maintaining appropriate oversight and accountability.

Summary of Comment: The commenter, a provider in a CWP county, supports the CWP and emphasized the need for families to understand that waiver services supplement, rather than replace Medicaid, natural supports, and other community resources. Consistent education by Support Coordination agencies is recommended.

State Response: The State appreciates the commenter's support of the CWP. The State agrees that consistent education of CWP Support Coordinators is essential to ensure individuals and families understand available resources and the supplemental nature of waiver services. The State will continue to emphasize appropriate leveraging of non-waiver resources and coordination of these resources with waiver services through professional development and ongoing support for Support Coordination staff.

Summary of Comment: Two commenters, a parent of a child with an intellectual disability and a family member of an individual with an intellectual disability who live outside of the 11 CWP counties, expressed full support for the CWP and emphasized that the program's demonstrated outcomes indicate that it produces meaningful results for individuals and families. Both commenters requested that the State consider these outcomes and the needs of families on the waiting list as it evaluates the future expansion and development of waiver services.

The parent commenter shared that their child is preparing to transition from high school into adulthood and has been on the statewide waiting list for waiver services for an extended period, with

a current ranking that places over 2,000 others ahead of her child. The commenter expressed concern that access to preventive services should not depend on whether a family happens to reside within a designated CWP county or near a county boundary. The extended wait for services creates additional pressure on caregivers and contributes to concerns regarding employment opportunities, transition to adulthood, and the individual's long-term future.

Both commenters requested that, as the State considers continuation of the CWP through 2031, Shelby County be considered for inclusion and that the program ultimately be expanded statewide. Both commenters also encouraged greater transparency regarding county-specific waiting list numbers, available CWP slots, anticipated timelines, and how individuals currently on the statewide waiting list may be considered for CWP enrollment.

Additional recommendations included strengthening transition-age services and employment preparation; increasing access to self-directed services; supporting opportunities such as Project SEARCH and vocational rehabilitation; and ensuring families receive clear and timely information regarding their place on the waiting list and are able to easily share any changes in caregiver needs.

State Response: The State appreciates the family members' support for continuation of the CWP and thoughtful feedback regarding access, transition to adulthood, employment, caregiver needs, and the long-term future of individuals with intellectual disabilities.

The State recognizes the importance of providing services that support individuals in their homes and communities, prevent or reduce the likelihood of crisis, promote independence, support meaningful employment, and help individuals remain connected to their families and communities. The State also recognizes the significant challenges that prolonged waiting periods can create for individuals and caregivers.

The CWP currently operates within its approved demonstration framework and designated counties. Individuals on the statewide waiting list who meet applicable eligibility requirements, which at this point continue to include county of residence, are considered for CWP enrollment when funded openings become available, based on length of time waiting (i.e., those waiting the longest are prioritized first for enrollment) or based on qualifying for a reserve capacity opening due to emergency, discharge from institutional setting, inability of foster care system to support children with an intellectual disability in state care/custody; or transition of Living at Home waiver participants if their health and safety needs cannot continue to be met in the Living at Home waiver. The State will continue to provide information to individuals on the waiting list regarding CWP enrollment opportunities and applicable requirements as implementation proceeds.

The State acknowledges the request to expand the CWP to Shelby County and, ultimately, statewide. Expansion beyond the current counties would require consideration of program capacity, available resources, applicable waiver and demonstration authorities, and any necessary federal and state approvals. The State will consider this feedback as it evaluates the future of the CWP, ID and LAH waivers which together make up Alabama's intellectual disability waiver system.

Summary of Comment: One commenter, an advocacy organization for individuals with intellectual and developmental disabilities, expressed support for continuing the CWP to help ensure that

individuals currently receiving services do not experience an interruption in care. The commenter recognized several positive outcomes reflected in the program's evaluation, including increased access to community-based services, expanded opportunities for self-direction and employment, and reductions in certain emergency enrollments.

The commenter also noted that the interim evaluation identifies areas that require continued attention during the proposed five-year extension. The commenter emphasized that individuals should not lose services because of the extension or future changes to Alabama's waiver programs. The commenter recommended that the State provide more current information to inform major long-term decisions; develop specific strategies to address workforce and provider shortages; strengthen support coordination; address regional differences in service availability and outcomes; and ensure that participants and families continue to have meaningful opportunities to participate in future program decisions.

State Response: The State appreciates the commenter's support for continuing the CWP and its recognition of the importance of maintaining continuity of services for individuals currently enrolled. The State also appreciates the recommendations regarding areas for continued program improvement.

The State recognizes that continuation of the CWP provides an opportunity to maintain service continuity while also addressing areas where the program can be strengthened. The State will continue to receive and monitor current program data, service utilization, provider capacity, workforce availability, support coordination, and regional differences as the CWP moves forward. The continued involvement of the independent evaluator will also assist the State in understanding the most up-to-date information about the CWP. Data from all three intellectual disability waivers will be utilized in guiding the State's efforts as it plans for the future.

The State also recognizes the importance of meaningful participant and family involvement in the ongoing development of waiver services. Their feedback will be sought and considered as the State evaluates the existing waivers and develops the long-term direction of Alabama's intellectual disability waiver system.

The State remains committed to maintaining continuity of services for individuals currently receiving CWP services while ensuring that future changes to Alabama's waiver programs are informed by data, participant and family experiences, provider capacity, and applicable federal requirements.

Summary of Comment: The commenter is a prospective CWP provider who supports the CWP extension and requests the State strengthen the CWP service array by adding home-delivered meals as an available HCBS benefit for waiver participants when the service is identified through person-centered planning as necessary to support health, independence, and continued community living.

State Response: The State appreciates the commenter's support for the continuation of the CWP and the suggestion that the State add home-delivered meals as an available HCBS benefit for CWP participants. The CWP extension is intended to allow the State additional time to evaluate options for the future of Alabama's waiver programs. The State will consider this feedback as it evaluates the future of the existing waivers that make up Alabama's intellectual disability waiver system.

Elimination of Group 5

Summary Comment: Two commenters, an advocacy organization for individuals with intellectual and developmental disabilities, requested that the State carefully reconsider the proposed elimination of Group 5. Another commenter, a family member requested the State transparently address how the proposed elimination of Group 5 could affect future applicants.

State Response: The State appreciates the commenters' raising these concerns. The State continues to support the focus on preventing crisis and escalation of needs whenever possible. However, extremely limited applicants for Group 5, combined with changes to expand eligibility for Groups 1-4 (increasing IQ cut-off score from 69 to 72 and cut-off for age of onset from 18 to 22) led the state to conclude that currently, CWP resources are most effective if made available to applicants who meet institutional level of care and therefore qualify for Groups 1-4. Prevention of escalation of need is still a high priority for these enrollment groups.

Community Integration, Employment, and Meaningful Adult Lives

Summary Comment: The commenter, a provider in a CWP county, emphasized the importance of community integration and employment. However, they stressed true community integration involves meaningful participation in ordinary community life rather than simply providing services in a community-based setting. Recommendations included continuing to focus on increasing opportunities for competitive integrated employment, meaningful relationships, transportation, independent living, community participation, and individualized activities based on each person's interests and goals.

The same commenter also recommended that employment outcomes include measures such as competitive integrated employment, wages, hours worked, job retention, advancement opportunities, and alignment with individual preferences.

State Response: The State agrees that HCBS should support meaningful participation in community life and should be based on the individual's preferences, strengths, needs, and person-centered goals. The State also agrees that community integration encompasses more than physical presence in a community and services should promote opportunities for individuals to develop relationships with members of the broader community, pursue employment, participate in community activities, and live as independently as possible. The CWP includes services intended to support community living, independent living, employment, transportation, and other outcomes identified through the person-centered planning process.

The State appreciates the recommendation to further examine employment outcomes beyond participation alone. The State notes the evaluation also measured the proportion of participants utilizing waiver services that assist in achieving competitive integrated employment; however, the State agrees that further examination of employment data is important. Employment and community-integration outcomes will continue to be important areas of focus as part of ongoing CWP monitoring, evaluation, and future waiver planning.

Provider Capacity, Access, and Provider Network Development:

Summary of Comments: Fourteen (14) total commenters expressed concern regarding the availability and capacity of qualified CWP providers, particularly in Houston County. Comments stated there is a lack of providers in Houston County and as a result, individuals in Houston County lack the services needed under the CWP. Another provider commented that provider capacity is important, and provider stability requires rates that reflect the actual cost of recruiting, training, retaining and supporting qualified direct care staff, particularly in rural areas.

State Response: The State thanks the commenters for these comments and acknowledges that ensuring adequate provider capacity in rural areas is particularly challenging. The State regularly tracks existing CWP provider capacity to receive new referrals, through mandated provider reporting, to determine where CWP participants have a service need and providers for that service may not be available or have capacity to accept more referrals. The State also continues to receive reports from Support Coordinators on how many CWP participants may be waiting for a service provider, by service type and county, to identify where provider capacity is needed. CWP continues to release RFPs where sufficient provider capacity does not exist. The State is aware that CWP reimbursement rates are now lower than the reimbursement rates for the ID and LAH waivers, which directly impacts the availability of providers for the CWP. The State seeks to ensure consistent rates for all services and counties as a priority in its future planning efforts.

Summary of Comment: One commenter, who is a prospective CWP provider for Mobile County, requested greater transparency regarding regional provider-capacity needs, the process for new providers to become certified and participate in the CWP provider network, and whom prospective providers should contact regarding certification and identified service needs. Commenters also noted that limited provider availability can result in delayed access to services and reduced choice for individuals and families.

State Response: The State appreciates the feedback regarding provider capacity and recognizes that an adequate and geographically accessible provider network is essential to the successful implementation of the CWP. The State continues to monitor provider participation and service availability across CWP regions, by geographic area and service type, and recognizes that provider capacity often varies over time.

The State will continue to monitor existing provider capacity, identify provider-network needs, support provider recruitment and development, and provide technical assistance regarding applicable certification and enrollment requirements. Prospective providers must meet applicable State certification and Medicaid enrollment requirements before providing waiver services. CWP provider recruitment is also based on participant needs in each geographic area and providers must meet minimum standards to ensure quality (Preferred Provider Qualifications).

The State recognizes the value of providing prospective and existing providers with clear information regarding the certification process, regional needs, and available points of contact. As part of ongoing program administration and future planning, the State will continue to identify opportunities to improve communication regarding provider requirements and capacity needs.

Concerns Regarding Continuation in Houston and Limestone Counties

Summary of Comment: One commenter expressed concern, as a provider of ID and LAH waiver services, regarding the continuation of the CWP in Houston County, asking whether providers have a role in determining county participation. The commenter also raised concerns about limitations on receipt of referrals from the ID and LAH Waivers, and the lack of availability of traditional day services in the CWP. The commenter noted that individuals should not be prevented from accessing appropriate services from an established provider in their own community simply because of the county's designation under CWP. The services should be available to individuals who need them, and families should have the ability to consider the provider agency when making decisions about their loved one's care and support. The commenter stated that their organization does not support continued CWP implementation in Houston County and if the decision is made to continue the CWP, they respectfully request that Houston County be removed from the CWP.

State Response: The State appreciates the commenter's concerns and feedback regarding provider capacity, service options, and county participation. County participation in CWP was determined when the CWP was created, after multiple opportunities for statewide public comment. Providers were able to participate in all opportunities for public comment. The proposed extension will maintain the existing CWP counties. The State will work more intensively with partners in Houston County to grow the provider network there while the State evaluates future waiver options and all stakeholder feedback, including provider feedback, to inform decision-making for the future.

Additionally, the State would like to clarify that approved providers for the ID waiver in any county can receive referrals to serve people enrolled in the ID waiver. The State acknowledges that choice of waivers to enroll in has been limited in all counties, with CWP available in some counties, ID/LAH available in other counties and no county offering all three options. As part of planning for the future, the State is looking at how to ensure enrollment options and available services are consistent statewide and how participants will have choice regarding who provides their Support Coordination services.

Summary of Comment: One commenter expressed concerns as a provider of Support Coordination for the ID/LAH waivers in Houston County regarding the current CWP structure, including limited provider availability, limited engagement and follow-up from ADMH, and concerns regarding the ability of the CWP to adequately meet the service needs for individuals in the county.

The commenter expressed that for individuals in Houston County, support coordination should transition to the 310 local service structure to provide a more appropriate pathway for continuity of care.

State Response: The State appreciates the feedback from the provider and recognizes the concerns regarding provider availability, engagement from ADMH Support Coordinators, and continuity of care in Houston County.

As part of the implementation of the CWP demonstration, ADMH Support Coordination was established for CWP Support Coordination in Houston County. While the State does not propose to change this, the State will work more intensively with ADMH Support Coordinators serving Houston

County to improve engagement while the State evaluates future waiver options and all stakeholder feedback, including provider feedback, to inform decision-making for the future.

Summary of Comment: One commenter, a family member in a CWP county, expressed concern about their family member being on the waiting list for more than twelve (12) years. The commenter recommended allowing individuals in Limestone County, who have been waiting more than 10 years for waiver services, to be enrolled without any further delay.

State Response: The State appreciates the comment and recognizes the importance of reducing waiting times and expanding access to home and community-based waiver services. The State recognizes the significant length of time that some individuals and families have waited to access Medicaid waiver services and understand the concerns associated with extended waiting periods. The CWP approach offers enrollment to individuals on the waiting list as capacity becomes available, based on how long they have been waiting. This is in addition to providing immediate enrollment for emergencies and other reserve capacity categories as outlined in the CMS approved CWP 1915(c) waiver.

The State continues to evaluate strategies to address the statewide waiting list and improve access to home and community-based waiver services. The proposed continuation of the Community Waiver Program (CWP) provides one pathway for eligible individuals to receive needed services while the State evaluates longer-term options for the State's intellectual disability waiver program.

Summary of Comment: One commenter, a representative of a client, expressed concerns regarding the adequacy of funding available through the CWP for individuals enrolled and whether the current level of funding sufficiently supports the individuals assessed service needs. The commenter requested that individuals in Limestone County access the ID Waiver.

State Response: The State appreciates the comment and recognizes the importance of ensuring that individuals receive services and support that are appropriate to their assessed needs. All participants receive a comprehensive assessment to identify needs as part of the person-centered planning process. An exceptions process exists if a person's needs cannot be fully met within their expenditure cap. The CWP and ID waivers contain many similar services to meet participants' needs.

The State will continue to monitor whether person-centered plans address all participant needs that cannot be addressed through other sources and will take the comment into consideration as the State evaluates future options for the delivery of home-and community-based waiver services.

Future for the Intellectual Disability Waiver Program and Improving Self-Direction

Summary of Comments: One commenter, a family member of an individual receiving waiver services, expressed concern about the potential consolidation of the CWP, ID, and LAH Waivers, stating that consolidation may not improve self-direction or strengthen support that help families remain together. Another commenter noted that self-direction needs to be able to provide intermittent staffing needs that allow individuals to be independent of paid staff at times when they don't need them present. This commenter also stressed that helping families stay together must involve the

availability of crisis intervention services that come to families on an emergency call-out basis so they can avoid calling 911.

State Response: The State appreciates the commenter's concerns. The extension provides additional time for the State to evaluate future waiver options while considering stakeholder input, including input regarding how to improve self-direction and strengthen supports to help families remain together. No final decision regarding consolidation has been made through this extension. The State will consider broad stakeholder input as future waiver options are evaluated.

The State acknowledges that effective self-direction requires accessible information, appropriate planning, qualified providers and workers, and administrative support that enable participants and families to make informed decisions. The State recently changed providers of Financial Management Services to improve experiences across all waivers. In planning for the future, the State will explore how self-direction can accommodate more intermittent needs for support and care and how crisis intervention services can be made available on an emergency call-out basis to avoid the need for families to call 911.

Summary of Comments: Two provider associations expressed support for support for the original goals of the CWP but expressed concerns about its implementation to date and continuation, recommending that current CWP participants be transitioned to Alabama's existing legacy waivers until the State's consolidated waiver is developed and approved by CMS.

State Response: The State appreciates the commenters' support for the original goals of the CWP. The State is committed to ensuring continuity and minimizing disruption for CWP participants until a decision is made about the future of the three waivers.

Group Home Size and Facility-Based Day Service Options

Summary of Comments: Two providers and two provider associations expressed concern about the limit on the number of beds in CWP Community-Based Residential Services group homes, asking that the limit on number of beds be lifted to allow for use of larger group homes.

State's Response: The State thanks the commenters for their comments. The State would like to clarify that the limit on number of beds in CWP Community-Based Residential Services group homes has always been four (4) beds. Across the state, in the ID and CWP waivers, group homes of four (4) beds or less are already the majority. Additionally, the State recognizes that operating group homes of more than four (4) beds creates increased facility requirements and costs for providers that raise the cost of operating these homes and redirects limited funding away from staff wages. Therefore, the State believes maintaining this limit is appropriate.

Summary of Comments: Commenters from Houston County and two provider associations expressed concern about the lack of a facility-based day service option in the CWP, saying it limits choice for participants and this model of service can provide structure, socialization, skill development, supervision, and meaningful activities for individuals whose needs make other options less appropriate. Another provider commenter stated the CWP should continue its focus on community integration, employment and help individuals be as independent as possible. The

commenter stressed that this cannot be accomplished through segregated programming labeled as community based and further stressed that the State should prioritize support that let adults with disabilities develop meaningful adult lives, not merely remain safe or supervised.

State's Response: The State thanks the commenters and recognizes the differences of perspectives among the commenters. As part of planning for the future, the State is looking at how to ensure available services are consistent statewide and how participants will have choice, from among willing and qualified providers participating, regarding who provides their services, including who provides their Support Coordination services.

Operational and Administrative Challenges

Summary of Comments: Two commenters, representing providers of waiver services, expressed concern that aspects of the current CWP structure create operational challenges for individuals and families receiving services and providers delivering those services. Recommendations included finding a better value for direct support worker training than the current platform that provides free training for provider agency-employed DSPs working in the CWP and modifying the requirements for Positive Behavioral Support (PBS) services to better reflect the individual needs and characteristics of the people being referred for this service.

State Response: The State appreciates the commenters' feedback regarding the operational implementation of the CWP. The State recognizes that operational challenges can affect an individual's experience with the program and with the delivery of available services. ADMH and the Alabama Medicaid Agency will continue to monitor program operations and identify opportunities to address these challenges. The State will also consider stakeholder feedback regarding administrative requirements as part of ongoing program improvement and future waiver planning.

Services for Children and Young Adults, Including Autism-Related Concerns

Summary of Comment: A commenter expressed concern regarding children and young adults with autism spectrum disorder who are eligible for services but experience lengthy waits because of provider shortages. The commenter expressed concern that children may approach the maximum age for available services after spending a significant portion of their eligibility period waiting for intellectual disability services and asked what measures are being taken to address this loss of opportunity.

State Response: The State recognizes the concerns associated with delays in accessing medically necessary and HCBS supports, particularly for children and young adults with autism spectrum disorder for whom early and timely intervention may be important.

Access to services is dependent on the individual's eligibility, assessed needs, applicable program requirements, and availability of qualified providers. Provider shortages can create significant challenges, particularly in rural and underserved areas.

ADMH and the Alabama Medicaid Agency continue to monitor provider capacity and access to services and recognize the importance of strengthening the provider network. The State will continue

to evaluate opportunities to expand provider participation, improve geographic access, and address workforce and capacity challenges.

The State also recognizes the importance of clear communication with families regarding eligibility, available services, waiting lists, and transitions that may occur as individuals approach age-based program limits.

Protection of Confidential Information and Electronic Communication

Summary of Comment: The commenter, a family member of an individual using self-direction in the CWP, expressed concern regarding the transmission of sensitive employee information through email, including Social Security numbers, dates of birth, and driver's license information. The commenter recommended the use of a secure electronic platform, such as DocuSign, to reduce risks to confidentiality and privacy.

State Response: The State appreciates the concern regarding the protection of confidential employee information as part of the self-direction program. ADMH and the Alabama Medicaid Agency recognize the importance of maintaining appropriate safeguards when transmitting sensitive information. The State will address this with the current Financial Management Service agency.

Transparency, Data Reporting, and Evaluation

Summary of Comments: Three commenters, including an advocacy organization for individuals with intellectual disabilities, requested greater transparency regarding CWP evaluation findings, program data and program performance. Recommendations included making the evaluation report readily available, providing more current data beyond the existing evaluation period, and publishing information regarding waiting lists, provider availability, vacancies, service denials or reductions, crisis events, workforce turnover, and employment outcomes. Commenters also requested clearer definitions of terms such as "waiting list."

State Response: The State appreciates the recommendation for increased transparency and recognizes the importance of providing stakeholders with clear and understandable information regarding CWP performance. The State agrees that decisions about the future should be data-informed and stakeholders should also understand the data as part of contributing feedback on plans.

The State's evaluation of the CWP was conducted in accordance with the requirements established for the demonstration and covers the applicable evaluation period. The State notes the interim CWP evaluation by Health Management Associates, which includes many data points, is available online here: <https://mh.alabama.gov/wp-content/uploads/2026/07/SEVREPORTS-83-AL-DMH-CWP-Interim-Report-508.pdf>. The State will continue to collect, monitor and publicly share program data as the demonstration progresses. More recent operational data may be available through ongoing program administration and monitoring, although such data may not be subject to the same methodology or validation process as the formal demonstration evaluation.

The State also recognizes the importance of clearly defining program terminology. Where terms such as "waiting list," "enrollment," "provider capacity," and "service availability" are used in public materials, the State will strive to provide sufficient context to ensure that stakeholders understand what the terminology and associated data represents.

The State will continue to consider opportunities to improve the accessibility and transparency of waiver program data while ensuring that reported information is accurate and consistent with applicable state and federal confidentiality and privacy requirements.

Public Engagement and Stakeholder Feedback

Summary of Comment: Two commenters recommended the State establish a stakeholder advisory committee to guide future planning for Alabama's intellectual disability waiver program, including advocates, individuals and family members receiving services, individuals and family members from the waiting list, existing and prospective providers, 310 agencies, ADMH Support Coordinators and other community stakeholders.

State Response: The State appreciates the commenter's suggestion and plans to seek and use broad stakeholder feedback as it plans and determines the best way forward for providing Medicaid home and community-based waiver services to eligible Alabamians with intellectual disabilities.

Overall State Response

The State appreciates all individuals, families, providers, organizations, and other stakeholders who participated in the public comment process. The comments provided valuable insight into both the benefits and challenges experienced during implementation of the CWP.

The State recognizes that stakeholders may have differing perspectives regarding the CWP and the future structure of Alabama's HCBS waiver programs for individuals with intellectual disabilities. The proposed extension is intended to maintain continuity for CWP participants while providing the State with sufficient time to evaluate and assess options for how to best serve and most cost-effectively serve individuals with intellectual and developmental disabilities.

The State will continue to monitor access to services, provider capacity, self-direction, community integration, employment outcomes, crisis prevention, participant experience, program integrity, and other relevant measures of the CWP's performance throughout the extension period. Stakeholder feedback received through this public comment process will inform ongoing program administration and future waiver planning.

The State remains committed to ensuring that Alabama's HCBS waiver programs are administered in a manner that promotes person-centered services, health and safety, opportunities for independence, community participation, employment, self-determination, access to appropriate support, and responsible stewardship of Medicaid resources.