

Experimenting with Medicaid

What can new or revised 1115 and 1332 waivers mean for your state's program?

States have several tools that allow them to pilot Medicaid programs that provide previously uncovered populations with services, or offer previously uncovered services to particular Medicaid populations. Prime among these tools are Section 1115 “demonstration waivers” and Section 1332 “innovation waivers.” These can also be used to change funding or service delivery structures and eligibility requirements. Therefore these waivers give states a significant amount of freedom when it comes to Medicaid administration. Like all adjustments a state makes to its Medicaid program, these waivers require approvals from CMS, a number of which will expire on or before June 30, 2019.

1115 Demonstration Waivers	1332 Innovation Waivers
<ul style="list-style-type: none"> • Allow states to waive certain Medicaid rules and pilot different benefits packages and target services to certain populations • Must be cost neutral • Once approved, last five years, require renewal 	<ul style="list-style-type: none"> • Allow states to pursue innovative strategies for providing care • Can be used in conjunction with Section 1115 Demonstration Waivers • Once approved, last five years, require renewal • Cannot increase federal deficit or decrease amount of people covered

Authorized under Section 1332 of the Affordable Care Act, the innovation waivers became available in 2017. They allow states to waive requirements of ACA Marketplaces, including essential health benefits and metal tiers. They can be used in conjunction with 1115 waivers, but not to change Medicaid program requirements.

1332 Waivers ¹		
State	Status	Description
AK	Approved	Allows federal pass through funding to partially fund reinsurance program
HI	Approved	Retains Prepaid Health Care Act employer coverage requirements
MA	On Hold	Waives CSR payments and allow pass through funding for Premium Stabilization Fund
MN	Approved	Funds reinsurance program with pass through funding and state appropriations
OH	Pending	Waives individual mandate
OR	Approved	Federal pass through funding for Oregon Reinsurance Program
VT	On Hold	Allows small businesses to buy insurance without SHOP Marketplace; SHOP requirement postponed to 2019
WI	Pending	Pass through funding for WI Healthcare Stability Plan

Pending and Expiring 1115 Waivers²

State	Name	Status	Description
AK	Alaska Medicaid Behavioral Health Demonstration	Pending	Enhances benefits for children, adolescents and their caretakers with, or at risk of behavioral health and substance use disorders transitional age youth and adults with acute mental health needs, adolescents and adults with SUD
AR	Arkansas' Tax Equity and Fiscal Responsibility Act	Expiring 4/30/2018	Proposes 3-year extension of premium-based program to provide home and community-based services to children with disabilities
AZ	Arizona Health Care Cost Containment System	Pending	Amendment adds work requirements, waives Institutions for Mental Diseases exclusion, introduces premiums and lifetime coverage limit of 5 years
DE	Delaware Diamond State Health Plan	Expiring 12/31/2018	Provides long-term services and supports for former foster care youth under 26 and individuals with an incomes up to 133% FPL, includes behavioral health services
FL	Florida MEDS-AD	Pending	Provides Medication drug therapy management (MTM) program to maintain quality care and prevent premature institutionalization
FL	Florida Medicaid Family Planning Waiver	Expiring 6/30/2018, extension pending	Extends family planning services to women 14-55 years old up to 191% FPL who are losing Medicaid coverage
GA	Georgia Planning for Healthy Babies	Pending	Extends family planning/related services to women 18-44 years old who are at or below 200% FPL as well as inter-pregnancy care services
HI	Hawaii QUEST Integration	Pending	Provides permanent supportive housing services to certain Medicaid enrollees who meet the definition of being chronically homeless, who also have behavioral, physical or substance use diagnosis.
IL	Illinois Behavioral Health Transformation	Pending	Integrates physical and behavioral health service delivery
KS	KanCare	Pending	Expands care coordination and adds work requirements, lifetime coverage limit, waives exclusion for institutions for mental disease
MA	MassHealth	Pending	Aligns coverage for non-disabled enrollees with commercial health plans. Enrolls ACA Adults over 100% FPL into the Health Connector; creates an Alternative Benefits Plan for non-disabled enrollees ages 21-64 under 100% FPL; creates narrow networks; waives multiple MCOs in certain parts of the state; changes cost-sharing models
ME	Maine Demonstration for Individuals with HIV/AIDS	Pending	Provides medical services to HIV positive patients with incomes above traditional eligibility level
ME	MaineCare	Pending	Adds work requirements, waives retroactive coverage, adds co-pays for unnecessary emergency department use, introduces premiums

MI	Healthy Michigan	Expiring 12/31/18, extension pending	Transitions qualifying beneficiaries above 100% FPL to Marketplace Option
MI	Michigan Pathway to Integration	Pending	Consolidates 1915 (b), (i), and (c) services and populations
MI	Michigan Brain Injury Waiver	Pending	Provides post-acute rehab for up to 100 individuals
MN	Minnesota Reform 2020	Expiring 6/30/2018, extension pending	Creates Alternative Care Program which provides community support for seniors who are near but not eligible for Medicaid to divert nursing home admissions and help people stay in their homes; pilots the Community First Choice option for self-directed supports to populations who will not be eligible under the 1915 l or k programs; continues coverage for children under the age of 21 who do not meet the state's definition of institutional level of care and preserves their eligibility for Medicaid.
MN	Minnesota Urban Indian Health Board Demonstration	Pending	Allow American Indians in MN to enroll in medical assistance with an abbreviated application process and demo would provide funding for care coordination so state can capture the Medicaid matching funds for the American Indian population.
MS	Healthier Mississippi MS	Expiring 9/30/2018, extension pending	Increases coverage and preventative health visits for aged, blind or disabled not eligible for Medicare or Medicaid
MS	Mississippi Medicaid Workforce Training Initiative	Pending	Provides access to workforce training and requires work or training activities from parents and caretakers
MT	Montana Plan First	Expiring 5/31/2018	Provides family planning services for women
NC	North Carolina's Medicaid Reform Demonstration	Pending	Adds work requirements, waives institutions for mental diseases exclusion, introduces premiums
NH	New Hampshire Health Protection Program Premium Assistance	Expiring 12/31/2018, amendment pending	Adds work requirements, waives retroactive coverage
NM	New Mexico Centennial Care	Expiring 12/31/2018, extension pending	Provides behavioral health integration, care coordination expansion, allows premiums for expansion population
NV	Nevada Comprehensive Care	Expiring 6/30/2018	Expands case management to include patients with certain conditions, or high utilizers - Phase-Out Plan has been submitted to CMS
OK	Oklahoma SoonerCare	Expiring 12/31/2018, pending extension and amendment	Renews SoonerCare and expands coverage to American Indian populations
SD	South Dakota's Former Foster Care Youth	Pending	Maintains coverage for former foster care youth up to age 26 who had Medicaid coverage while in foster care in another state.
TX	Healthy Texas Women	Pending	Improves women's health care services i.e. family planning, birth outcomes, and maternal health

UT	Utah Primary Care Network	Pending	Adds work requirements, lifetime coverage limit, co-pays for unnecessary emergency department use, cap on certain eligibility groups
VA	Virginia Delivery System Transformation	Pending	Implements managed long term services and supports and Delivery System Reform Incentive Payment program
VA	Virginia FAMIS MOMS and FAMIS Select	Expiring 6/30/2019	MOMS provides primary care and dental coverage for pregnant women; Select provides assistance for paying for employer-sponsored coverage
WA	Washington Medicaid Transformation	Pending	Amendment waives institutions for mental diseases exclusion
WA	Washington Take Charge	Expiring 4/30/2018	Provides family planning and related services to women and men with incomes up to 250% FPL who do not otherwise qualify for Medicaid
WI	Wisconsin Badger Care Reform	Expiring 12/31/2018, pending extension and amendment	Coverage for adults age 19-64 without dependent children, income up to 100% FPL; Continues monthly premium for parents and caretakers who qualify for transitional medical assistance, introduces lifetime coverage limit (can re-enroll after 6 months)
WI	Wisconsin SeniorCare	Expiring 12/31/2018	Prescription program for low-income seniors not otherwise receiving full Medicaid benefits
WY	Wyoming Medicaid Tribal Uncompensated Care Demonstration	Pending	Allows uncompensated care payments to Indian Health Services and 638 tribal health providers on its Wind River Reservation, and to receive 100% Federal Medical Assistance Percentage for these payments, in order to improve access to care, improve health outcomes, and reduce health disparities affecting the American Indian population.
WY	WY Pregnant By Choice	Expiring 7/31/2018	Provides contraception and care related to family planning to women age 19 to 44 up to 159% FPL who are losing Medicaid through the Wyoming Medicaid Pregnant Woman Program.

Although states can use 1115 and 1332 waivers to expand the provision of services, a common theme has been attempts to weaken ACA protections and to add new requirements to Medicaid eligibility. Some trends in 2018 proposals include waiving retroactive coverage or creating lifetime coverage caps; waiving coverage of non-emergent medical transportation; waiving the exclusion for services provided by Institutions for Mental Disease; and increasing premiums and copays. [Ohio's 1332 proposal](#), for example, seeks to eliminate the "individual mandate" – the requirement that people have health insurance. And Iowa recently [won approval](#) for a 1115 waiver that dispenses with the mandatory three-month retroactive eligibility for adults in their Medicaid expansion.

If your state has 1115 and/or 1332 waivers pending or approaching their renewal date, it's important to understand what your state's program looks like, so you can [provide feedback](#) on whether it should be renewed as is, amended, or denied renewal. Learn more from our [Medicaid flexibility](#) series, and our [one-pager](#) on upcoming 1915(b) waiver expiry dates.

Sources:

1. <https://www.kff.org/health-reform/fact-sheet/tracking-section-1332-state-innovation-waivers/>
2. <https://www.medicaid.gov/medicaid/section-1115-demo/demonstration-and-waiver-list/index.html>