
MEDICAID WAIVERS: SHARING STATE EXPERIENCE

NCSL MIDWEST STATES FISCAL LEADERS MEETING

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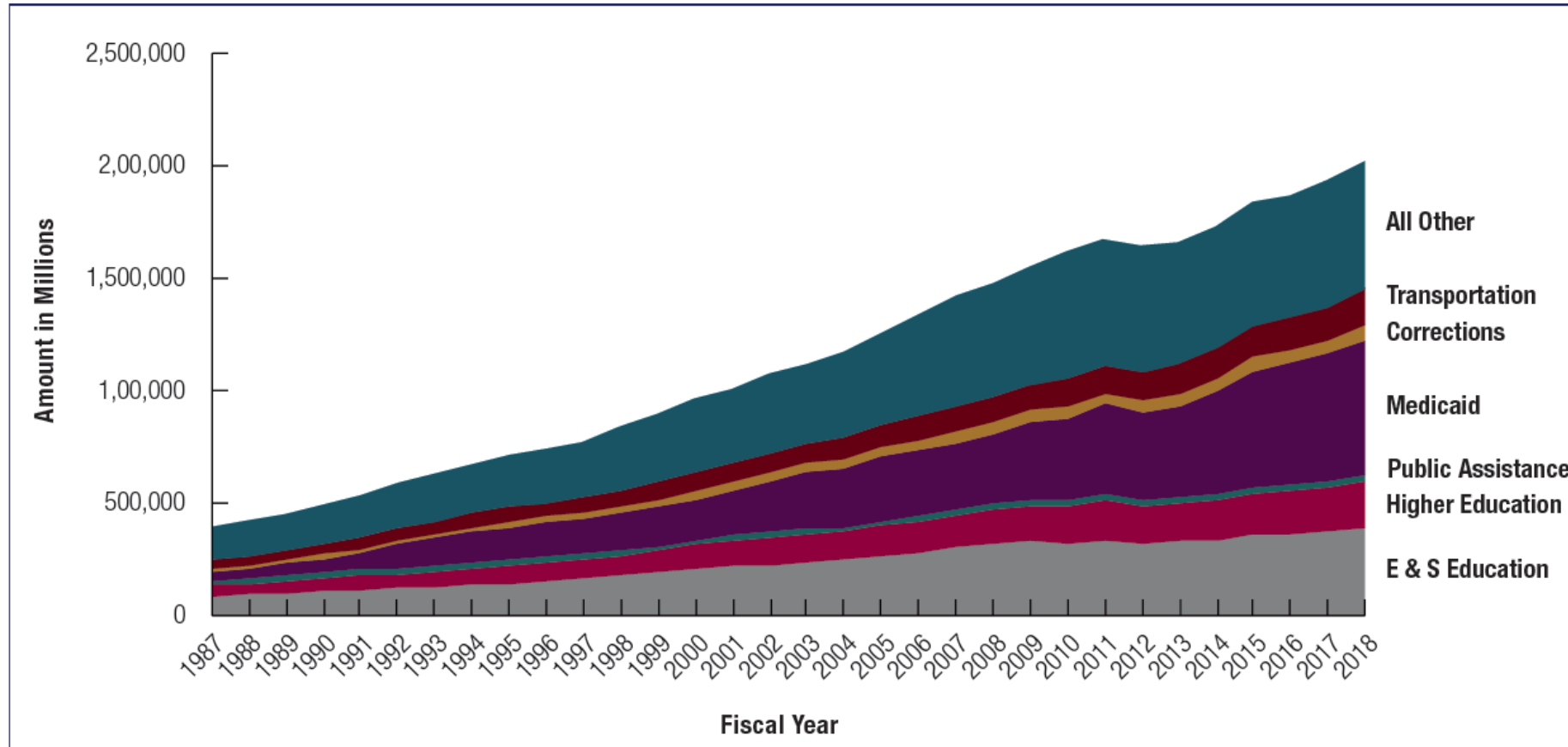


MEDICAID: WHY SO IMPORTANT?

- 29.7% of total state spending in Fiscal Year 2018
(includes both federal and state funds)
- Total expenditures of \$603.2 Billion in FY 2018
- Covers 3 out of 4 nursing home residents
- Primary payer of long-term services and supports (LTSS)
- Funds about 50% of U.S. births on average
- Covers about 39% of children



COMPOSITION OF TOTAL STATE EXPENDITURES BY FUNCTION FISCAL YEARS 1987 TO 2018



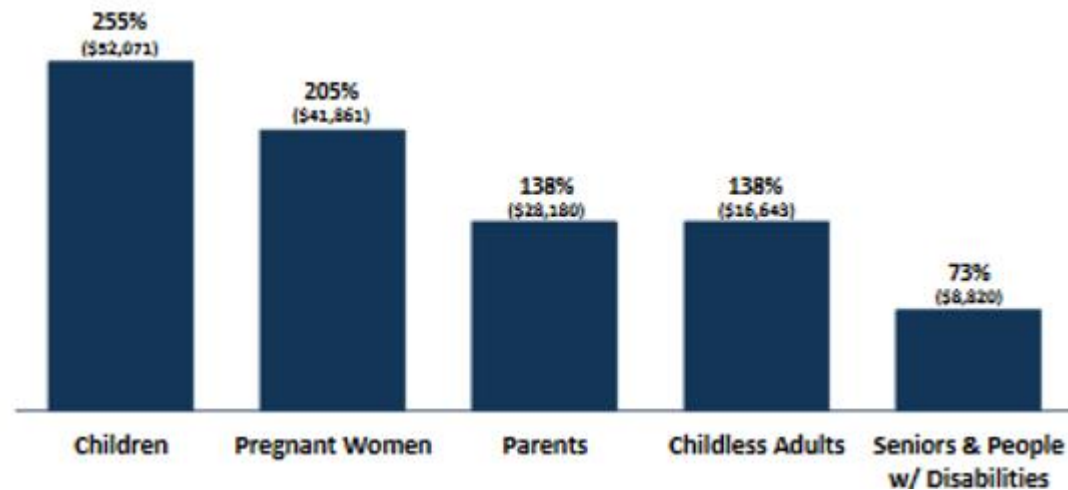
Source: National Association of State Budget Officers

MEDICAID POLICY OPTIONS – “LEVERS”

- Eligibility levels
- Optional benefits
- Delivery system reforms (managed care vs. fee-for-service)
- Provider reimbursement (compared to Medicare fee scale)
- Long-term care (and home and community based care)

MEDICAID ELIGIBILITY LEVELS

Median eligibility levels as a percent of the Federal Poverty Level (FPL), as of January 2017



Source: Kaiser Family Foundation

MEDICAID BENEFITS

Mandatory Benefits

- Inpatient hospital services
- Outpatient hospital services
- EPSDT: Early and Periodic Screening, Diagnostic, and Treatment Services
- Nursing Facility Services
- Home health services
- Physician services
- Rural health clinic services
- Federally qualified health center services
- Laboratory and X-ray services
- Family planning services
- Nurse Midwife services
- Certified Pediatric and Family Nurse Practitioner services
- Freestanding Birth Center services (when licensed or otherwise recognized by the state)
- Transportation to medical care
- Tobacco cessation counseling for pregnant women

MEDICAID BENEFITS

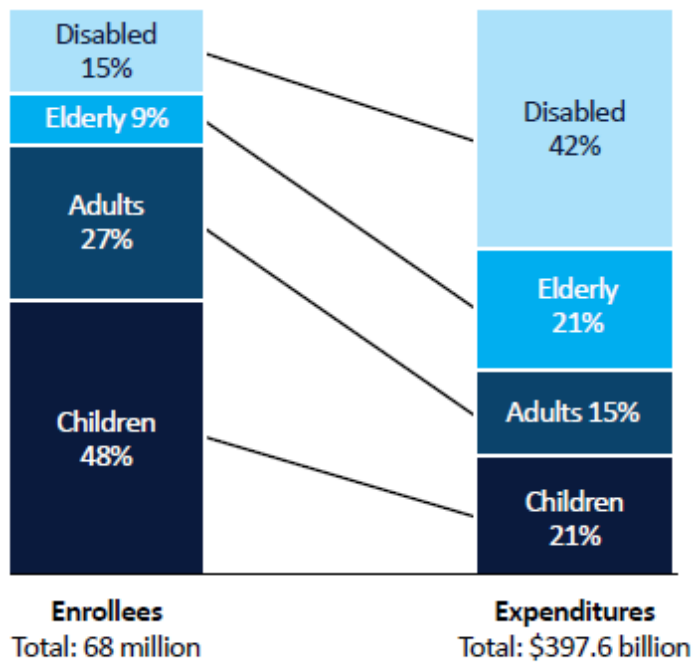
Optional Benefits

- Prescription Drugs
- Clinic services
- Physical therapy
- Occupational therapy
- Speech, hearing and language disorder services
- Respiratory care services
- Other diagnostic, screening, preventive and rehabilitative services
- Podiatry services
- Optometry services
- Dental Services
- Dentures
- Eyeglasses
- Chiropractic services
- Other practitioner services
- Private duty nursing services
- Personal Care
- Hospice
- Case management
- Services for Individuals Age 65 or Older in an Institution for Mental Disease (IMD)
- Intermediate care facility for Individuals with Intellectual Disability
- State Plan Home and Community Based Services- 1915(i)
- Self-Directed Personal Assistance Services- 1915(j)
- Community First Choice Option- 1915(k)
- Tuberculosis Related Services
- Inpatient psychiatric services for individuals under age 21
- Health Homes for Enrollees with Chronic Conditions – Section 1945
- Other services approved by the Secretary



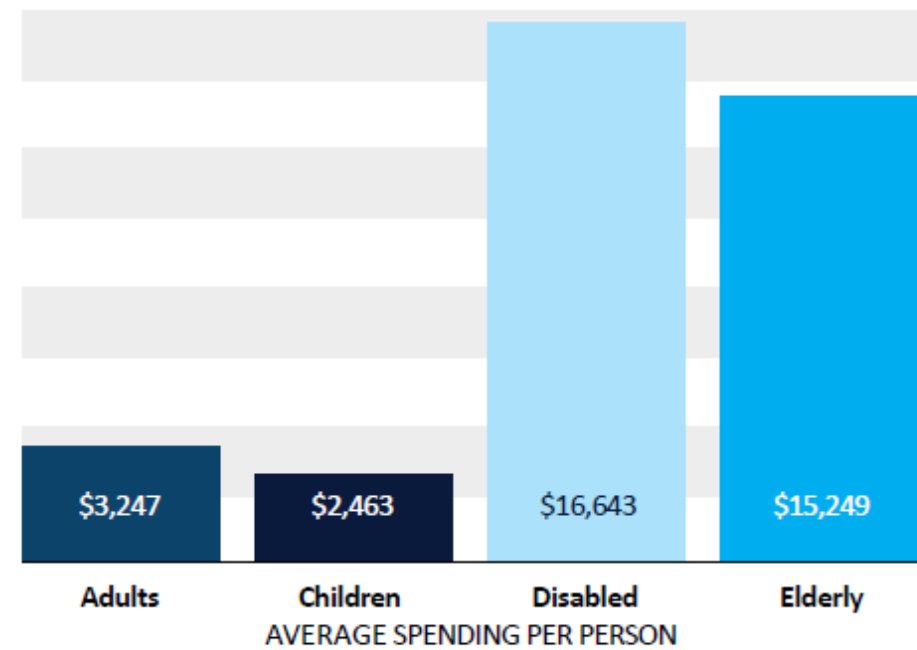
MEDICAID SPENDING

Medicaid Spending by Enrollment Group



Source: Kaiser Family Foundation

Medicaid Spending by Population



Source: Kaiser Family Foundation, 2011

WHAT IS A MEDICAID WAIVER?

States seeking additional flexibility to design their Medicaid programs (influence “policy levers”) may apply for formal waivers of some statutory requirements from the Department of Health and Human Services:

- 1915 (b) Managed Care Waivers
- 1915 (c) Home and Community Based Services (HCBS) Waivers
- 1115 Demonstration Waivers



HOME AND COMMUNITY BASED SERVICES (HCBS) WAIVERS

- Authorized under Section 1915(c) of the Social Security Act
- Option for individuals with disabilities who meet institutional level of care
 - Hospital, Nursing Facility, Intermediate Care Facility
- Allows states to waive certain provisions in order to:
 - Target populations
 - Target geographic areas
 - Place limits on enrollment



HOME AND COMMUNITY BASED SERVICES (HCBS) WAIVERS

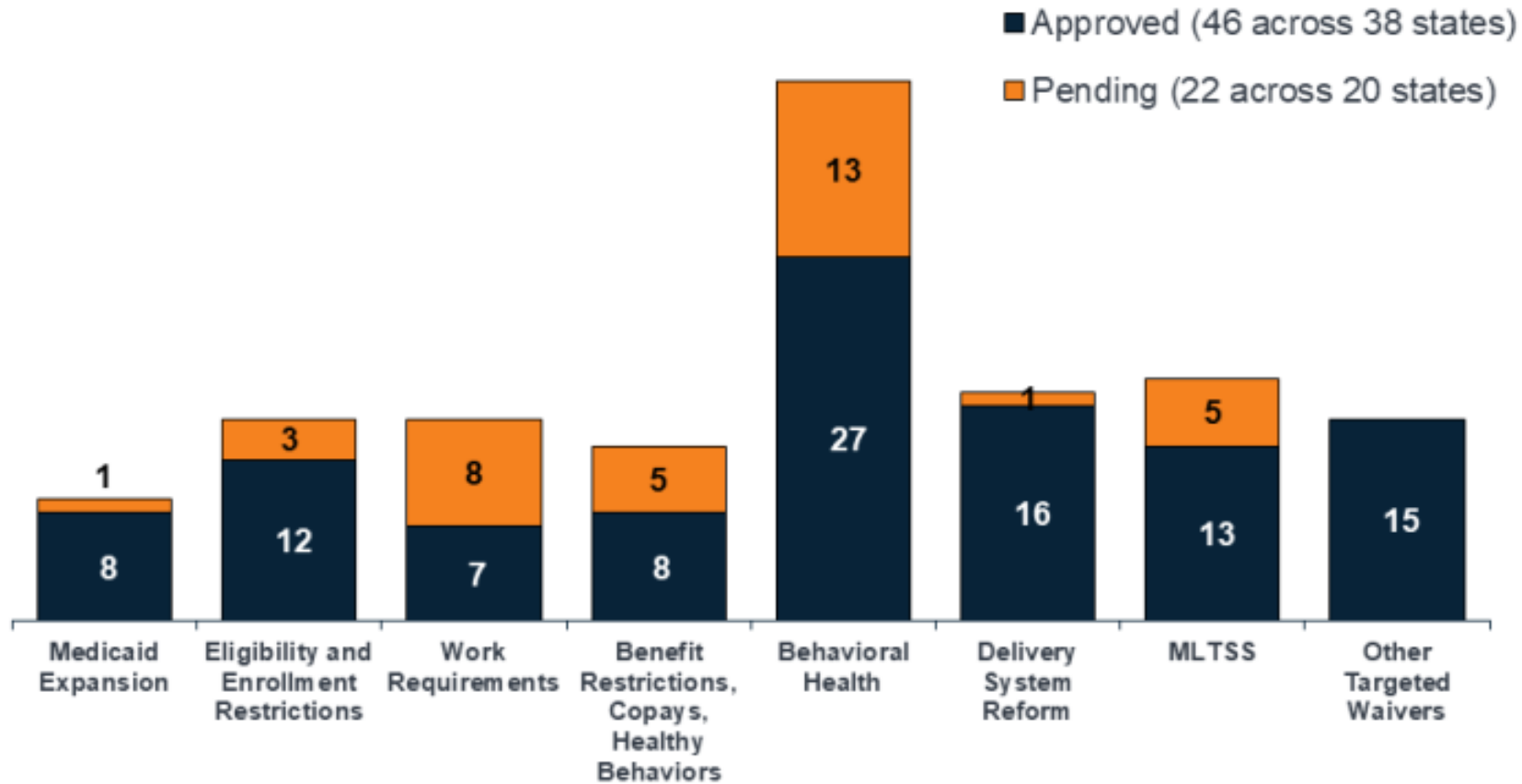
- HCBS waivers allow states to provide services in less costly community settings rather than more expensive institutional settings
- 1915 (c) HCBS programs provide a combination of medical and non-medical services, including: home health aide, personal care, adult day health services, habilitation (both day and residential), and respite care
- 47 states offer services through this waiver, with the other three (Arizona, Rhode Island and Vermont) offering HCBS through an 1115 demonstration waiver



1115 DEMONSTRATION WAIVERS

- 1115 waivers provide an option for experimental, pilot, or demonstration projects that are likely to assist in promoting the objectives of the Medicaid program
 - According to the Centers for Medicare & Medicaid Services (CMS), the purpose of these waiver programs is to demonstrate and evaluate state-specific policy approaches for better serving Medicaid populations
- Like 1915 waivers, allows states to waive certain provisions but has more flexibility
- Requires more time to implement than other “traditional” options

LANDSCAPE OF SECTION 1115 MEDICAID DEMONSTRATION WAIVERS AS OF JANUARY 2019



Thank you!

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NATIONAL CONFERENCE OF STATE LEGISLATURES