Overview of Section 1115 and 1332 Waivers

Georgia House of Representatives
Rural Development Council

Blake Fulenwider
Deputy Commissioner
Chief, Medical Assistance Plans
Mission

The Georgia Department of Community Health

We will provide Georgians with access to affordable, quality health care through effective planning, purchasing and oversight.

We are dedicated to A Healthy Georgia.
Topics to Cover

• Federal and State Medicaid Coordination Overview

• 1115 Medicaid Waiver Overview

• 1332 Waiver Overview
Federal and State Medicaid Authorities

**Medicaid State Plan:**
- Contract between CMS and DCH governing Medicaid funding and administration.
- Changed through State Plan Amendments (SPAs)
- SPA submissions are routine
- Provisions are not typically time-limited

**Social Security Act (SSA) Waiver Authority:**
- 1915(b): Managed Care
- 1915(c): Home and Community-Based Services (HCBS) for Long Term Services and Supports (LTSS)
- 1915(b)/(c): HCBS Services through Managed Care
- 1115: *Medicaid Demonstration Waivers*
1115 Waivers

- Secretary of Health and Human Services (HHS) authority to approve experimental, pilot or demonstration projects likely to promote objectives of the Medicaid program.
- 1115 Authority established in 1960’s and applies to major federal health and welfare programs, including Medicaid and the Children’s Health Insurance Program (PeachCare for Kids®).
- Utilized routinely for large-scale program changes (i.e., Managed Care, CHIP expansion, Benchmark Benefit design, post-ACA program design).
- Also an authority available to assist with response to significant emergency situations
CMS 1115 Waiver Objectives

1. Improve **access** to high-quality, person-centered services that produce positive health outcomes for individuals;
2. Promote efficiencies that ensure Medicaid’s **sustainability** for beneficiaries over the long term;
3. Support **coordinated** strategies to address certain health determinants that promote upward mobility, greater independence, and improved quality of life among individuals;
4. Strengthen beneficiary **engagement** in their personal healthcare plan, including incentive structures that promote responsible decision-making;
5. Enhance **alignment** between Medicaid policies and commercial health insurance products to facilitate smoother beneficiary transition; and
6. Advance **innovative** delivery system and payment models to strengthen provider network capacity and drive greater value for Medicaid.

Approved vs. Pending Section 1115 Medicaid Demonstration Waivers as of August 29, 2018

- Medicaid Expansion
- Eligibility and Enrollment Restrictions
- Work/Community Engagement Requirements
- Benefit Restrictions, Copays, Healthy Behaviors
- Behavioral Health
- Delivery System Reform
- MLTSS
- Other Targeted Waivers

Affordable Care Act-related 1115 Waivers: Approved and Pending

- **Expansion of Medicaid Eligibility:**
  - Arizona
  - Arkansas
  - Indiana
  - Iowa
  - Michigan
  - Montana
  - New Hampshire
  - Utah (pending approval)

- **Work and Community Engagement Provisions:**
  - Arizona
  - Arkansas
  - Indiana
  - Kansas (pending)
  - Maine (pending)
  - Mississippi (pending)
  - New Hampshire
  - Ohio (pending)
  - South Dakota (pending)
  - Utah (pending)
  - Wisconsin (pending)
Section 1332 Waiver Authority

- Affordable Care Act §1332 (42 USC 18052)
- Waives provisions of the Internal Revenue Code
- State Innovation Waivers must:
  - Provide access to coverage that is at least as comprehensive and as would be provided absent the Waiver
  - Provide coverage that is at least as affordable as would be provided without the Waiver
  - Provide coverage to a comparable number of residents
  - Not increase the Federal deficit
- Applies to Individual and Small Group Commercial Insurance Markets (Exchange products)
- High-Risk Pools/State-Operated Reinsurance Programs
Waiver-Based Approaches

• 1115 Waiver Authority used by selected states to:
  – Implement Premium Assistance Programs
  – Require Nominal Premiums/Cost-Sharing Requirements
  – Drive Wellness Incentives
  – Waive Benefit Requirements (NEMT, Family Planning Services for targeted enrollees)
  – Waive Retroactive Eligibility
  – Implement Work and Community Engagement Requirements as a Condition of Eligibility
1115 and 1332 Waiver Submission and Approval Process

1. Legislature Approves Waiver Submission
2. DCH Board Approves Waiver Submission
3. Public Notice Period
4. DCH Submits Waiver to CMS
5. CMS Q&A/Negotiation Period
6. CMS Approves Waiver
7. Waiver Operation, Oversight and Reporting
8. Waiver Amendment Submission (if necessary) to conform with policy changes
9. Before Waiver Expiration, Seek Extension, Reapplication or Approval of Close-Out Plan from CMS
# Georgia’s Current Waiver Programs

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<tr>
<th>Waiver Authority</th>
<th>Program</th>
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<tr>
<td>1115</td>
<td>Georgia Planning for Healthy Babies (P4HB)</td>
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<tr>
<td>1915(c)</td>
<td>Elderly and Disabled Waiver (Includes CCSP and SOURCE programs)</td>
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<tr>
<td>1915(c)</td>
<td>New Options Waiver (NOW)</td>
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<td>1915(c)</td>
<td>Comprehensive Supports Waiver Program (COMP)</td>
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<tr>
<td>1915(c)</td>
<td>Independent Care Waiver Program (ICWP)</td>
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Georgia’s existing 1115 Waiver

- Known as “Planning for Healthy Babies” or P4HB
- Limited benefit package for target population
  - Provides family planning and interpregnancy care services only
- Eligibility Criteria:
  - Women ages 18 to 44 who are at or below 200% Federal Poverty Level (FPL) household income and not otherwise eligible for Medicaid or PeachCare for Kids®
- Goals:
  - Reduce Georgia’s rate of Low Birth Weight (LBW) and Very Low Birth Weight (VLBW) infants
  - Reduce the number of unintended pregnancies in Georgia
  - Reduce Medicaid costs by reducing the number of unintended pregnancies by women who otherwise would be eligible for Medicaid pregnancy-related care
  - Provide access to Interpregnancy Care (IPC) for women who have previously delivered a VLBW infant
  - Increase child spacing intervals through appropriate contraceptive use
- Implemented on January 1, 2011; Current expiration is March 30, 2019
Legislative Requirements – 1115 Waivers

• § 49-4-142.1:

On and after May 3, 2006, neither the department, the board, nor any other representative of the state shall submit any request to the United States Department of Health and Human Services Centers for Medicare and Medicaid Services for a waiver pursuant to Section 1115 of the federal Social Security Act without legislative notification.
Legislative Requirements – Increasing Eligibility Limits

• § 49-4-142.2:

On and after July 1, 2014, neither the department, the board, nor any other representative of the state shall expand Medicaid eligibility under this article through an increase in the income threshold without prior legislative approval; provided, however, that this shall not apply to any increase resulting from a cost-of-living increase in the federal poverty level. The legislative approval required under this Code section shall be by Act of the General Assembly or the adoption of a joint resolution of the General Assembly.
Questions?

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