



State Medicaid Waiver Programs

What Is This Policy?

Overview

Medicaid, which was established in 1965 as part of the federal Social Security Act (SSA), provides health coverage to low-income people. The Centers for Medicare & Medicaid Services (CMS) can waive certain parts of the Medicaid law to enable states to test different approaches to Medicaid. Approaches include changes to program eligibility, benefits, delivery systems, and financing.

The most common kinds of waivers are 1) research waivers (authorized under Section 1115 of the SSA), 2) demonstration waivers (authorized under Section 1115 of the SSA), and 3) program waivers (authorized under Section 1915[b] and Section 1915[c] of the SSA ([Medi-Cal explained fact sheet](#))).

A list of all state waivers can be found [here](#) and filtered by waiver authority, status, and state. Each entry has a page with waiver dates, description, and application documents.

Section 1115 Waivers

Section 1115 waivers, also known as research and demonstration waivers, allow states to use federal Medicaid funds in ways that are otherwise not allowed ([Medi-Cal explained fact sheet](#)). In recent years, more states have used these waivers to address health-related social needs, such as homelessness, food and nutrition support, caregiver respite, and interpersonal violence.

The article "[RTI: Section 1115 Waivers: Addressing Health-Related Social Needs](#)" provides more information on how states have used Section 1115 waivers to promote coverage, access to and quality of care, improve health outcomes, reduce health disparities, and create long-term, more cost-effective alternatives or supplements to traditional medical services.

Approved and pending Section 1115 waivers by states can be found on the KFF [Medicaid Waiver Tracker](#). This resource contains detailed topic tables about waivers with eligibility changes, benefit changes, social determinants of health, and other delivery system reform changes. In addition, there are aggregate state tables about all approved and pending waivers by topic. All tables can be downloaded as Excel sheets.

Section 1915 Waivers

Section 1915 (b), also called “Freedom of Choice” waivers, are often used to require enrollment in managed care delivery systems for certain populations. One example is California’s Section 1915(b) Specialty Mental Health Services Waiver. It requires enrollees who meet medical necessity criteria for specialty mental health services to receive them through their county mental health plan.

Section 1915(c) waivers, or Home and Community-Based Services Waivers, are used to provide home and community-based service options as an alternative to being in a nursing facility, hospital, or other institution. States offer a broad range of HCBS waivers for enrollees with long-term service and support needs, such as meals, nonmedical transportation, and home modifications ([Medi-Cal explained fact sheet](#)).

Additional descriptions of some 1915 waiver programs can be found here: [CMS: State Medicaid waiver programs](#).

Example: CalAIM in California

CalAIM is an example of a Medicaid waiver program in California. This initiative builds on prior initiatives, such as the Whole Person Care pilots, Health Homes program, Drug Medi-Cal Organized Delivery System, and the Coordinated Care Initiative, to reform Medi-Cal in California for millions of enrollees.

CalAIM extends the work from the Whole Person Care and Health Homes Program in developing the **community-based workforce**, which includes peer support specialists, community health workers, and promotores de salud. Within CalAIM, community-based workers continue to provide culturally congruent, person-centered care and bridge the health and social service systems. ([CalAIM Explained](#)).

Medicaid Home- and Community-Based Services (HCBS)

Medicaid Long-Term Services and Supports (LTSS) are typically categorized based on where they are provided: in institutional settings or home- and community-based settings (HCBS). Historically, more Medicaid funds were allocated to LTSS in institutional settings, but efforts to balance HCBS and instructional care have reversed this trend since 2013. Over the past two decades, several new authorities have allowed states to include HCBS in the Medicaid state plan, ensuring these services are available to all eligible individuals. In contrast, services provided under waivers, such as 1115s or 1915(c)s, may have restrictions based on factors like

geographic region, income, or type of disability. This article provides a list of authorities for HCBS: “[KFF: How Many People Use Medicaid Long-Term Services and Supports and How Much Does Medicaid Spend on Those People?](#)”

Another [KFF article provides information about waiting lists for Medicaid HCBS from 2016 to 2023](#): The states' authority to limit the enrollment in HCBS waivers may lead to waiting lists if the demand for services surpasses the available waiver slots. Challenges arise for states aiming to decrease waiting list numbers due to shortages in HCBS workers, especially during the COVID-19 pandemic.

Additional information about how states implement new requirements for Medicaid HCBS can be found here on the [KFF website](#).

CMS details state spending plans for HCBS under the American Rescue Plan of 2021 (9817). [The spending plan summaries](#) illustrate how states expect to spend \$36.8 billion on activities to enhance, expand, or strengthen HCBS under Medicaid. States' activities focus on workforce recruitment and retention, workforce training, quality improvement, efforts to reduce or eliminate waiting lists, expansions of the use of technology, opportunities to support caregivers, and ways to address social determinants of health and promote equity.

ADvancing States and the ARPA HCBS TA Collective [released an issue brief](#) examining states' efforts to understand the impact of their HCBS projects implemented with unprecedented new Federal investment under the American Rescue Plan Act (ARPA).

[Community Care Network for Dementia \(CaN-D\)](#) provides a data infrastructure to researchers, providers, and policymakers on datasets, measures, and methods to advance dementia HCBS. [CaN-D's Data Hub](#) serves as a clearinghouse to improve the access, financing, delivery, and quality monitoring of dementia HCBS.

Summary

Medicaid waiver programs allow states to innovate and try out new models of providing care. Section 1915(c) waivers are especially relevant to the direct care workforce for dementia care since they involve home and community-based care. However, there is a lack of studies using State Medicaid waiver programs and related data to examine the needs of the direct care workforce.

What Are Related Datasets?

Transformed Medicaid Statistical Information System (T-MSIS) Analytic Files (TAF)

Description	TAF is the national, person-level data source containing Medicaid enrollment and Children's Health Insurance Program (CHIP) enrollment, claims files with service use and payment records, and information on Medicaid and CHIP managed care plans and providers.
Time Period	2012 – Present
Tags	Medicaid
Public/Proprietary	Only approved academic research projects and certain government agencies are entitled to a Data Use Agreement (DUA) to obtain TAF data. To obtain access to the files, please see the Research Data Assistance Center (ResDAC) website , which provides a centralized source of information on CMS datasets.
Related Variables	beneficiary demographics, eligibility, program enrollment, managed care, providers, service use, payments
Example Articles	<ul style="list-style-type: none"> • Kim, H, Senders, A, Simeon, E, et al. (2023) Use of long-term services and supports among dual-eligible beneficiaries with Alzheimer's disease and related dementias. J Am Geriatr Soc.; 71(2): 432-442. doi:10.1111/jgs.18115. • Chen, C. et al. (2023). Tracking The Elusive Medicaid Workforce To Improve Access. Health Affairs Forefront. • Chidambaram, P, Burns, A. (2023) How Many People Use Medicaid Long-Term Services and Supports and How Much Does Medicaid Spend on Those People? KFF. • Chidambaram, P, Burns, A, Rudowitz, R (2023) Who Uses Medicaid Long-Term Services and Supports? KFF.
Dataset Details	There are two main kinds of TAF file types—Annual files and Claims files. Annual files include the Annual Demographic and Eligibility file, the Annual Managed Care Plan file, and the Annual Provider file. There are four monthly Claims files—inpatient hospital services, long-term care services, other services, and pharmacy claims (Intro to TAF). TAF fully replaced Medicaid Analytic eXtract (MAX) in 2016. TAF has 1,400 data elements, while MAX only had fewer than 400.
Relevant Links	<ul style="list-style-type: none"> • Transformed Medicaid Statistical Information System (T-MSIS) Analytic Files (TAF)
Limitations	TAF has missing data for certain states depending on the year. It is not public and is expensive to access. It does not capture service use during periods of non-enrollment. Between 2012 and 2016, states transitioned from the MAX dataset to the TAF dataset, which created challenges in researching that time period. Specific to the workforce—only providers who submit claims can be identified, and some states have missing serving provider National Provider Identifiers. Also, TAF files are

	updated over time to address data quality issues, but CMS usually charges additional fees to access the refreshed data (Source: Informing Medicaid Policy Through Better, More Usable Claims Data).
In our harmonized dataset?	No

Medicaid Analytic eXtract (MAX)

Description	The MAX is the only national, person-level data source containing Medicaid enrollment and Medicaid-covered healthcare claims for all Medicaid beneficiaries each year before 2016. This dataset can be used to assess Medicaid provider supply and healthcare utilization.
Time Period	1999-2015
Tags	Medicaid
Public/Proprietary	Only approved academic research projects and certain government agencies are entitled to a DUA to obtain MAX data.
Related Variables	state, Medicaid eligibility region, race, sex, national provider identifier, patient status code
Example Articles	<ul style="list-style-type: none"> Wang, S., Yan, D., Temkin-Greener, H., & Cai, S. (2021). Nursing home admissions for persons with dementia: Role of home- and community-based services. Health Services Research, 56(6), 1168–1178. Dunn, A., Shieh, P., & Fernando, L. (2020). Spending by Condition for the Long-Term Care Population Using Medicaid Claims (BEA Working Paper Series). Bureau of Economic Analysis.
Dataset Details	MAX was available for varying numbers of states from 1999 to 2015; after 2015, they switched to the T-MSIS Analytic Files (TAFs).
Relevant Links	<ul style="list-style-type: none"> Medicaid Analytic eXtract (MAX) General Information Medicaid Analytic eXtract (MAX) Chartbooks
Limitations	MAX has missing data for certain states, depending on the year. It is not public and is expensive to access. It does not capture service use during periods of non-enrollment. It does not capture prescription drug rebates received by Medicaid, Medicaid payments made to disproportionate-share hospitals, payments made through upper payment limit programs, Medicaid payments to CMS for prescription drug coverage for dual eligibles, and payments to states to cover administrative costs. (The Medicaid Analytic Extract 2013 Chartbook).
In our harmonized dataset?	No

CMS 372 Reports

Description	This data comes from the Centers for Medicare and Medicaid (CMS) 372 report and contains information about the Section 1915(c) waiver programs.
Time Period	2015-2017; 2017-2018; 2018-2019
Tags	Home and Community-Based Services (HCBS), Medicaid
Public/Proprietary	Public
Related Variables	State, waiver program name, target group, the number of people who received HCBS waiver program services, waiver program expenditures, rank of participants per 1000 state residents
Example Articles	<ul style="list-style-type: none"> • Skira, M, Wang, S, & Konetzka, R. T. (2022). Trends In Medicaid Home And Community-Based Services Waivers For Older Adults. Health Affairs. • Ng, T., Stone, J., & Harrington, C. (2015). Medicaid Home and Community-Based Services: How consumer access is restricted by state policies. Journal of Aging & Social Policy, 27(1), 21–46.
Dataset Details	The data is submitted by each state. Expenditure data is available for 50 states and the District of Columbia. State and national data are included. Because the data source is different, the expenditures reported here are not exactly the same as those reported in the CMS-64 reports.
Relevant Links	<ul style="list-style-type: none"> • Overview from Centers for Medicare and Medicaid • 2018-2019 Section 1915c Beneficiary and Expenditure Report <ul style="list-style-type: none"> ○ Appendix B: 372 Data (Download) • 2017-2018 Section 1915c Beneficiary and Expenditure Report <ul style="list-style-type: none"> ○ Appendix B: 372 Data (Download) • 2015-2017 Section 1915c Beneficiary and Expenditure Report <ul style="list-style-type: none"> ○ Appendix B: 372 Data (Download)
Limitations	The most recent data is from 2019, and there has been no update in recent years.
In our harmonized dataset?	Yes

KFF’s Annual HCBS Survey

Description	The Kaiser Family Foundation (KFF) conducted an annual HCBS survey, including 1915c, 1115, and state plan HCBS programs. This resource has not been frequently used by academic researchers.
Time Period	Annual and go through 2023
Tags	Medicaid, HCBS

Public/Proprietary	Public
Related Variables	The specific variables change from year to year in the HCBS surveys.
Example Articles	<ul style="list-style-type: none"> • Kreider, A. R., & Werner, R. M. (2023). The Home Care Workforce Has Not Kept Pace With Growth In Home And Community-Based Services. Health Affairs, 42(5), 650–657. • Stephenson, J. (2021). Report Highlights Medicaid Home and Community-Based Services’ Struggles with Worker Shortages, Closures. JAMA Health Forum, 2(8), e213157.
Relevant Links	<ul style="list-style-type: none"> • State Health Facts > Medicaid & CHIPS, Long-Term Services and Supports > click on the “Long-Term Services and Supports” box for <ul style="list-style-type: none"> • Enrollee using HCBS • Enrollees using LTSS • Enrollees using institutional LTSS • Waiver waiting lists • State Health Facts: Distribution of Fee-for-Service Medicaid Spending on Long-Term Care • Medicaid Home & Community-Based Services: People Served and Spending During COVID-19: Appendix
Limitations	It is state-level but not person-level data.
In our harmonized dataset?	Yes

Harmonized Dataset

We are working on it, and more information will come soon.

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