

The Global Commitment to Health 1115 Demonstration Waiver

1115 Waivers

- Federal government can “waive” many, but not all, of the laws governing Medicaid, including eligible people and services.
- Section 1115 waiver authority is intended to encourage state innovation in the Medicaid program.
- Often, states identify ways to save Medicaid funds and are permitted to use the savings to expand coverage
- The federal government approves Section 1115 Demonstrations for five-year terms, but Demonstrations can be extended.
- **Section 1115 waivers must be budget neutral.**

Without a waiver:

- Medicaid is limited to what is approved by CMS in the Medicaid State Plan – mandatory and optional populations and services.
- Medicaid is strictly administered in compliance with Medicaid regulations (either FFS or Managed Care).

What does Vermont's Waiver Do?

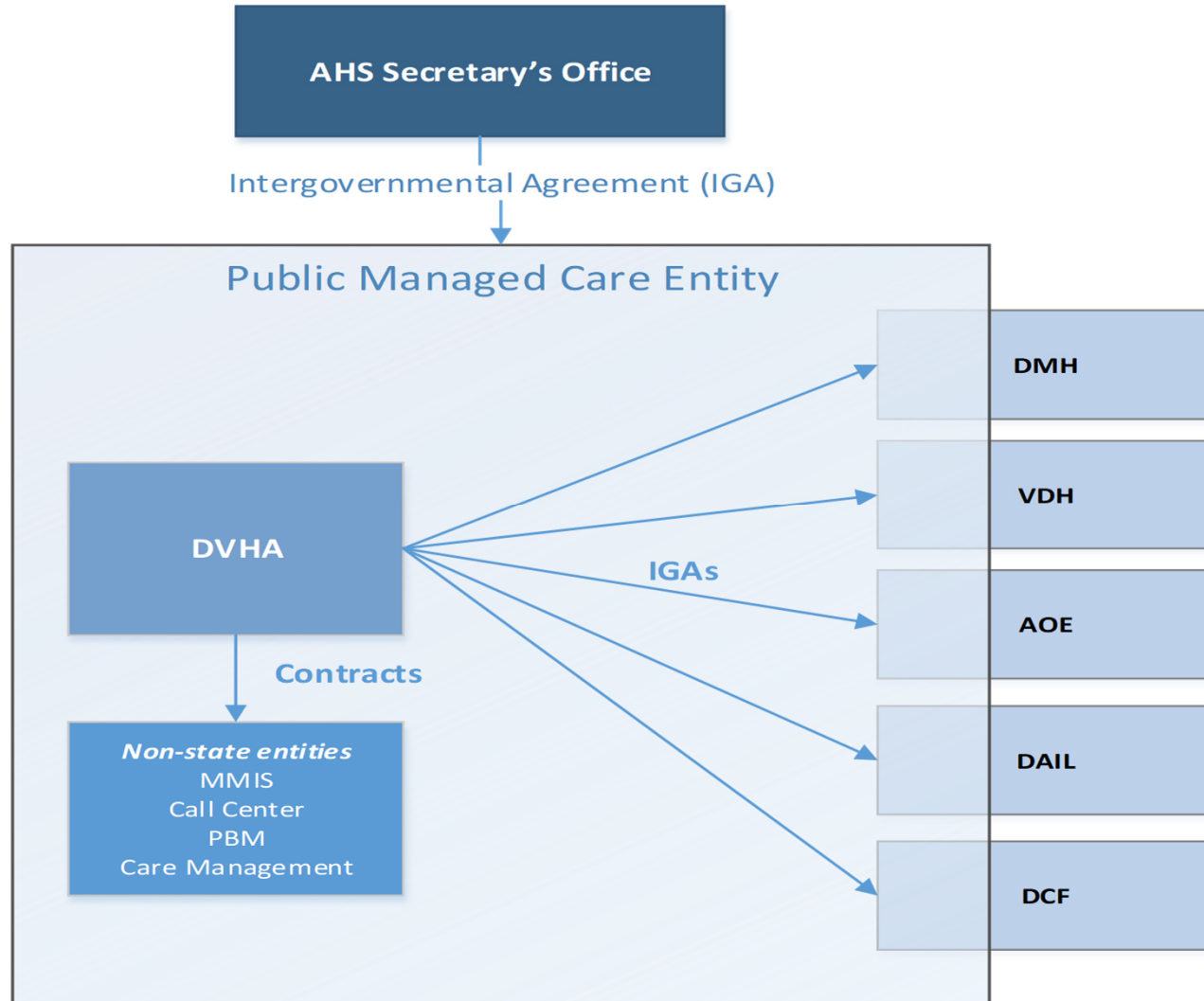
Vermont has had an 1115 waiver since 2005, allowing:

1. FFP for populations and services that are not authorized under the State Plan
 - Marketplace subsidy (up to 300% FPL)
 - CRT (138-185% federal poverty limit)
 - Vpharm
 - Moderate Needs
 - Investments
 - IMD payments
 - Cost-Effective alternatives
 - Children's palliative care service

2. Flexibility to manage using a unique delivery model – Public Managed Care
Waivers of:
 - Payments outside of State Plan
 - State-wideness/Uniformity
 - Reasonable Promptness (CFC only)
 - Amount, Duration, and Scope (limits service array for some pops)
 - Freedom of Choice of Providers (allows restriction)
 - Upper Payment Limit (above Medicare amounts)

Waiver Delivery Model

[Public Non-Risk PIHP]



Medicaid Eligibility: Waiver Populations

Allowable without Waiver (WOW)

Medicaid State Plan Eligibility Groups – Full State Plan Benefits

Aged, Blind, Disabled
Eligible for SSI or otherwise meet financial eligibility for ABD

New Adults
at or below 138% FPL who are:

- Not Pregnant
- Not 65 or older
- Not Receiving Medicare

Working Disabled
at or below 250% FPL

Pregnant Women
[Dr. Dynasaur]
at or below 213% FPL

Children under 19
[Dr. Dynasaur]
at or below 317% FPL

Katie Beckett
Disabled children under 19 meeting institutional level of care. Parental income/resources not counted.

HCBS for Designated State Plan Populations – Full State Plan Benefits + HCBS

CFC Highest/High Needs -DAIL

Children under 21 with Severe Emotional Disturbance -DMH

Developmental Disabilities -DAIL

Traumatic Brain Injury -DAIL

With Waiver Only (WW)

Limited Benefit Waiver Groups – Not State Plan Eligible

VPharm
For Medicare beneficiaries with income 150 - 225% FPL.

Moderate Needs -DAIL
Below 300% of SSI benefit rate who meet clinical criteria and are at risk of institutionalization.

Marketplace Subsidy Program
For individuals at or below 300% FPL who purchase health care coverage in VHC.

Community Rehabilitation Treatment -DMH
For individuals with severe and persistent mental illness 138 - 185% FPL

Waiver Only Expenditures

Investments

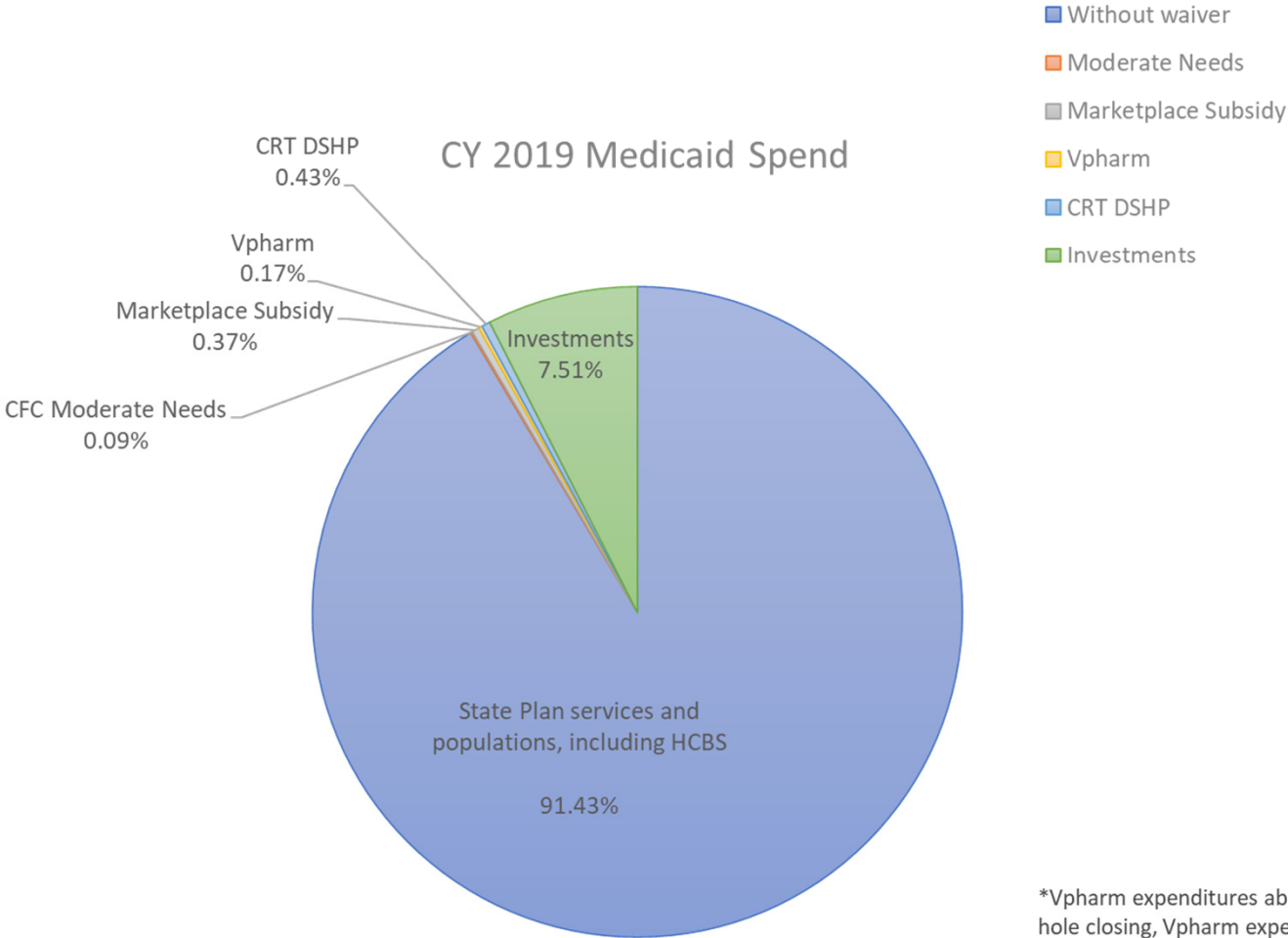
IMD Payments

Cost-Effective Alternatives

Palliative Care for under 21 - VDH

Today's Medicaid Program

Vermont's waiver currently supports traditional State Plan services and HCBS benefits at a cost of \$1.451B gross, as well as \$136.03M gross in additional funding for investments and expansions.



*Vpharm expenditures above reflect CY20. Due to the donut hole closing, Vpharm expenditures have decreased by nearly \$8M from CY19.