

Trends in 1115 Medicaid Waivers and Summaries of Each Pending Application

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As of March 2018, there are twenty-four Medicaid 1115 waivers pending CMS approval. Medicaid 1115 waivers, Research and Demonstration Projects, give states experimental, pilot, or demonstration projects likely to assist in promoting the objectives of Medicaid. 1115 waivers allow states additional flexibility to design and improve their programs, i.e., to demonstrate and evaluate state-specific policy approaches to better serving Medicaid populations.

In general, 1115 waivers can be comprehensive, such as expanding Medicaid to the new adult group, or narrow to target a specific benefit or population. 1115 waivers must be budget neutral, meaning the waiver cannot exceed the federal costs if the waiver never existed. States must include a research and evaluation component of the 1115 waiver.

Proposals and concepts in 1115 waivers are developed at the state level. The state then submits an application to Centers for Medicare and Medicaid Services (CMS) for approval. CMS and the state then negotiate the terms of the waiver application. Typically, 1115 waivers are approved for five years and then renewed for up to three years at a time.

Trends in 1115 applications

Back in March 2017, **Administrator Verma sent a letter to the Governors** indicating that CMS is open for business on Medicaid reform. The Administration would welcome state-based solutions as well as streamlining the waiver approval process. The agency has also noted that it would approve Section 1115 waivers that would tie work requirements to the Medicaid program, and this position reiterated by Administrator Verma at the National Association of Medicaid Directors.

In the first few months of 2018, we've seen waivers with work requirements get approved in Arkansas, Indiana and Kentucky. When CMS attempts to institute changes that requires all states to make changes in their Medicaid programs, it is highly controversial. However, changing Medicaid through waivers involves states voluntarily working with CMS. Therefore, the battle over Medicaid in 2018 will be fought out state by state. We firmly expect these battles to include litigation challenging CMS authority to approve the waivers and have seen these battles beginning in Kentucky.

Other areas states are exploring using 1115 waivers include changes to prescription drug coverage structures, a time limit on how long certain beneficiaries can receive Medicaid coverage, lock-outs if an individual fails to pay a premium or meet the work requirement, and drug testing requirements. Additionally, the Trump Administration has approved the first 10 year waiver in Mississippi, and has signaled that they will make changes to streamline and approve the waiver application process for states.

1115 Summaries

ML Strategies has summarized key provisions of pending and approved 1115 waivers. Below are links to each of our summaries. We will continue to update this list as we summarize additional 1115 applications:

- [Arizona](#)
- [Arkansas](#)
- [Kansas* \(New\)](#)
- [Kentucky](#)
- [Massachusetts](#)
- [Maine](#)
- [Mississippi](#)
- [New Hampshire](#)
- [Wisconsin](#)

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