Ten things to know about the Medicaid Transformation Demonstration

On January 9, 2017, the Centers for Medicare & Medicaid Services (CMS) approved a Section 1115 Medicaid waiver, known in Washington State as the Medicaid Transformation Demonstration. This five-year contract with CMS authorizes up to $1.5 billion in federal investments to promote innovative, sustainable and systemic changes that improve the overall health of Washingtonians.

Here are the ten things you need to know:

1. The Demonstration is a part of the Health Care Authority’s Healthier Washington initiative.

2. The Demonstration’s goals over the next five years are to:
   - Integrate physical and behavioral health
   - Convert 90 percent of Medicaid provider payments to reward quality of care
   - Improve health equity so all can benefit
   - Increase and improve services that support our aging population

3. The Demonstration is divided into three, inter-dependent initiatives:
   - Initiative 1: Transformation through Accountable Communities of Health (ACH)
   - Initiative 2: Long-term Services and Supports (LTSS) for the aging population
   - Initiative 3: Foundational Community Support Services (FCS)

4. Under Initiative 1, ACHs will work with community partners on four to eight regionally critical projects that will improve population health and transform the way health care is provided.

   An independent assessor will review regional project plan applications, and make recommendations to support project approval. The state will work with the independent assessor to develop a project plan review tool.

5. Project funding is triggered by the achievement of community health milestones, which are laid out in the project plans. Funds will be disbursed through a financial executor.

6. The state will engage and coordinate with tribal governments to assess Demonstration impacts.

7. Long-term Services and Supports includes services to assist unpaid caregivers such as, training, education, specialized medical equipment, and assistance. It also provides a personal care benefit for anyone who does not have a caregiver.

8. Foundational Community Support Services assists clients with complex needs with finding and maintaining stable housing and employment.

9. At the end of five years, an independent party will conduct an evaluation to verify that the initiatives are sustainable.

10. Demonstration activities will not require new funding from the state’s General Fund.