

# Washington state Section 1115 Traditional Health Care Practices Demonstration



**Draft application**

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## Acknowledgements

In partnership with Tribes, Indian health care providers, and other Tribal partners, the Health Care Authority will submit a Section 1115 Traditional Health Care Practices demonstration application to the Centers for Medicare & Medicaid Services in January 2026. Health Care Authority's Office of Tribal Affairs leads the development and coordination of this effort.



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# Section I: program description

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## Introduction and request

The Health Care Authority (HCA), in partnership with Tribes in Washington state, request approval of a Section 1115 demonstration (waiver) from the Centers for Medicare & Medicaid Services (CMS). The demonstration is grounded in [HCA's 2025–2027 budget proviso](#), which supports the development and submission of a **Traditional Health Care Practices demonstration waiver**.

Under this demonstration, certain types of facilities in Washington state can provide traditional health care services as “qualifying facilities.” This includes:

- Indian Health Service (IHS) facilities
- Tribal facilities
- Urban Indian Health Organizations (UIHOs), depending on state funding from the Legislature<sup>1</sup>

When an eligible Apple Health (Medicaid)<sup>2</sup> or Children’s Health Insurance Program (CHIP) beneficiary receives traditional health care practices from or through a qualifying facility, Medicaid will reimburse the facility for providing those services.

This demonstration builds off the [2022–23 Washington State Indian Health Improvement Advisory Plan](#), which outlines the state’s commitment to strengthening Tribal-state partnerships. Through collaborative policy and program design, Tribes and the state can keep working toward:

- Improving access to essential care.
- Supporting Tribal capacity to deliver services, including traditional health care practice.

The demonstration also aligns with [CMS’ framework](#) for approval of such waivers<sup>3</sup> and their recent actions to apply innovative approaches to expand access to care for American Indian and Alaska Native (AI/AN) communities.<sup>4</sup>

## Background

The [World Health Organization](#) describes traditional health care practices as:

...the sum total of the knowledge, skill, and practices based on the theories, beliefs, and experiences indigenous to different cultures, whether explicable or not, used in

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<sup>1</sup> IHS or Tribal facilities are defined by 42 Code of Federal Regulations (CFR) Section 137.10. UIHOs are defined in 25 United States Code (U.S.C.) Section 1603. Inclusion of UIHOs is dependent on state funding from the Legislature and, if state funding is not provided, in care coordination agreements.

<sup>2</sup> In Washington State, Medicaid is called Apple Health.

<sup>3</sup> [Centers for Medicare and Medicaid Services. All-Tribes Webinar – Traditional Health Care Practices & Section 1115 Demonstrations](#). Published October 2024. Accessed September 2025.

<sup>4</sup> [Centers for Medicare and Medicaid Services. CMS Expands Tribal Health Access with Approval of Medicaid State Plan Amendments in Minnesota, New Mexico, Oregon, South Dakota, Washington, and Wyoming](#). Press Release. Published June 2025. Accessed September 2025.

the maintenance of health as well as in the prevention, diagnosis, improvement or treatment of physical and mental illness.”

Traditional health care practices leverage a holistic, whole-person approach to care that includes a person’s physical, spiritual, and emotional well-being, and affirms a person’s identity and place within their Tribal community.<sup>5</sup> These practices include a range of personalized treatments used by Indigenous healers to treat acute or chronic conditions and promote health and well-being.

Notably, several studies have shown that traditional health care practices can result in positive health outcomes by helping to improve mental health symptoms, outcomes, and quality of life, including those with substance use disorder (SUD).<sup>6,7,8</sup>

AI/AN people have long-valued traditional health care practices as an essential component of supporting the health and healing of people and communities. Traditional health care practices — or Traditional Indian Medicine as it is commonly referred to in Washington state — have been an integral part of the traditions of Tribes.

Many Tribal leaders and community members have long advocated for recognition of the value of such practices — including sustainable funding — that can help ensure and expand timely access to this essential source of care.

Today, Tribal communities carry out their own forms of traditional health care practices, which are accessed and provided privately, or in coordination with Tribal programs and/or Western health care service organizations. To date, traditional health care practices have been supported primarily through IHS appropriations, Tribal resources, various pilot programs, and grant funding.

The Traditional Health Care Practices demonstration is designed to allow Washington state to support and sustain these practices and show the positive effects of providing coverage for traditional health care services. The state’s goal is to ultimately improve the health and well-being among Tribal communities.

CMS has acknowledged in other Section 1115 demonstration approvals that providing states and Tribes the option to include traditional health practices as a Medicaid benefit can enhance access to this type of care. So, Washington state is seeking the required authority from CMS to cover these services for eligible Apple Health and CHIP beneficiaries.

Through this draft application, the state will continue to collaborate with Tribal partners to further develop, refine, and finalize details — including eligible services, benefits, and types of providers covered — under Washington’s Traditional Health Care Practices demonstration.

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<sup>5</sup> [Canadian Pharmacists Journal](#). Li, Reanne. *Indigenous identity and traditional medicine: Pharmacy at the crossroads*. Published 2017. Accessed August 2025.

<sup>6</sup> [National Council of Urban Indian Health](#). *Traditional Healing*. Accessed August 2025.

<sup>7</sup> [Hewson, P., Rowold, J., Sichler, C., & Walter, W.](#) *Are healing ceremonies useful for enhancing quality of life?* *Journal of Alternative and Complementary Medicine*. Published May 2014. Accessed August 2025.

<sup>8</sup> [Nortje, G., Oladeji, B. D., Gureje, O., & Seedat, S.](#) *Effectiveness of traditional healers in treating mental disorders: a systematic review*. *The Lancet Psychiatry*. Published February 2016. Accessed August 2025.

## Demonstration goals and objectives

Washington state’s demonstration aims to ensure that people receiving care by or through a qualifying facility have access to traditional health care services. This can help support and sustain improved health, wellness, and well-being in Native communities. Through continued collaboration and partnership with Tribes in the state, HCA aims to strengthen the delivery of traditional health care practices as a Medicaid benefit. Specific goals of the demonstration include:

- Affirm Tribal Sovereignty by recognizing traditional health care practices as an essential component of the AI/AN health system in Washington state.
- Expand people’s access to traditional health care practices provided by or through qualified facilities in Washington state.
- Integrate traditional health care practices into the broader continuum of care, complementing Western medical practices with options that reflect AI/AN cultures, values, and connectedness.
- Improve health outcomes for AI/AN people and increase the use of traditional health care practices in Native communities.

## Implementation approach and proposed timeline

If CMS approves, Washington state will implement the demonstration statewide and launch the proposed benefit as soon as possible. The state asks to operate the demonstration for five years from the date of approval.

## Section II: demonstration eligibility

To receive traditional health care services under the Traditional Health Care Practices demonstration, a person must meet the following criteria:

1. Be a Medicaid or CHIP beneficiary.
2. Be able to receive services delivered by or through a qualifying facility.

**Note:** this demonstration will not affect Apple Health or CHIP eligibility requirements, and there are no enrollment limits for those who meet the eligibility criteria above. Table 1 shows more information on Apple Health and CHIP eligibility groups who are affected.

**Table 1: who is eligible for services, if they meet the demonstration criteria**

Eligibility group	Social Security Act and CFR citations	Income level
<b>Adults aged 19-64</b>	42 CFR 435.119	At or below 133% Federal Poverty Level (FPL)
<b>Parents and other caretaker relatives</b>	42 CFR 435.110	This is a standard dollar amount (Aid to Families with Dependent Children (AFDC) amount from pre-Affordable Care Act (ACA))

Eligibility group	Social Security Act and CFR citations	Income level
		See the <a href="#">Washington Apple Health Income and Resource Standards chart</a> .
<b>Pregnant and 12-months postpartum people</b>	42 CFR 435.116 Social Security Act 1903(v)(4) and 2107(e)(1)(N)	At or below 210% FPL for pregnancy At or below 193% FPL for postpartum
<b>Children under the age of 19</b>	42 CFR 435.118  42 CFR 457.320	At or below 210% FPL for Medicaid  At or below 260% FPL for CHIP Tier 1  At or below 312% FPL for CHIP Tier 2
<b>Aged, blind, or disabled people</b>	42 CFR 435.120, 42 CFR 435.122, 42 CFR 435.130, 42 CFR 435.132 42 CFR 435.134, 42 CFR 435.211 435.138	Below Supplemental Security Income (SSI) level
<b>Foster care children and former foster care youth under the age of 26</b>	42 CFR 435.150 42 CFR 435.145	Not applicable

## Section III: demonstration benefits and cost-sharing requirements

### Benefits

To be reimbursed, traditional health care practices must be provided by practitioners or providers who are employed by or contracted with a qualifying facility. This ensures the practices are provided by qualified practitioners at facilities that are enrolled as Medicaid and CHIP providers. Covered services may include a range of Tribally defined traditional health care practices. Washington state will work with Tribes individually to identify and refine the specific services to be provided under the demonstration.

Because some practices may include religious or spiritual elements, Washington state will attest to the following as a condition for federal matching funds:

- Secular alternatives (e.g., preventive care, primary care, pharmacy, mental health, substance use disorder services) will be available per the state plan, 1115 demonstration(s), or 1915 waiver(s), in compliance with federal law.

- Beneficiaries will have a genuine, independent choice to use other Apple Health and CHIP-covered services for any condition.
- Traditional practices will not limit or jeopardize access to other covered services or settings. Access will not be denied based on prior use of traditional care.

## Cost-sharing

There are no changes to cost-sharing proposed under this demonstration, which is consistent with the provisions of the approved state plan.

## Section IV: delivery system

Under the demonstration, qualifying facilities will provide traditional health care practices by practitioners or providers who are employed by or contracted with the qualifying facility. Qualifying facilities are responsible for making the following determinations (including documentation of the determination) to HCA, upon request.

- Determining that each provider, practitioner, or staff member employed by or contracted with the facility who is providing traditional health care practices:
  - Is qualified to provide traditional health care practices to the facility’s patients.
  - Has the necessary experience and appropriate training.
- Establishing its methods for determining whether employees or contractors are qualified to provide traditional health care practices.
- Billing Apple Health or CHIP for traditional health care practices provided only by employees or contractors qualified to provide those services.
- Providing documentation to HCA about these activities, upon request.

Services under the demonstration will be reimbursed through fee-for-service.

## Section V: demonstration enrollment, financing and budget neutrality

Washington state has estimated the projected enrollment impact, expected financial expenditures, and budget neutrality considerations associated with the waiver. Because traditional health care practices would be a new demonstration, historic enrollment and budgetary data are not applicable.

### Projected enrollment

**Table 2: annual estimated number of eligible people who will receive traditional health care practice services**

Demonstration year 1 (DY1)	DY2	DY3	DY4	DY5
1,810	7,241	10,861	14,481	18,102

## Projected expenditures

**Table 3: annual projected computable expenditures**

DY 1	DY2	DY3	DY4	DY5
\$15,418,121	\$61,672,484	\$92,508,726	\$123,344,967	\$154,181,209

This funding model is based on an overall utilization rate of 40%, including a ramp-up by DY (10%, 40%, 60%, 80%, 100% respectively) and an average utilization of 12 visits annually.

## Budget neutrality

Consistent with CMS’s approach and approval in other states, HCA expects the demonstration to be budget-neutral and not be subject to a specific budget neutrality expenditure sub-limit. The state will conform to the general monitoring and reporting requirements, as required under the demonstration, and will continue to be held accountable to the overall budget neutrality expenditure limit of the demonstration.

See the special terms and conditions (STCs) from states with approved waivers, including [Arizona](#), [California](#), [New Mexico](#), and [Oregon](#).

**Table 4: compliance with budget neutrality requirements**

	DY 1	DY2	DY3	DY4	DY5
<b>Traditional health care practices services</b>	\$15,418,121	\$61,672,484	\$92,508,726	\$123,344,967	\$154,181,209

Historically, CMS engages states in budget neutrality negotiations on Section 1115 waivers. In states with approved waivers, CMS has assumed budget neutrality for Traditional Health Care Practices waivers.

## Waiver and expenditure authorities

**Table 5: waiver authorities**

Waiver authority	Use for authority
<b>Section 1902(a)(10)(B) – Amount, Duration, and Scope of Services</b> <b>Section 1902(a)(17) – Comparability</b>	To allow the state to offer coverage of traditional health care practice services that may not be available to all Apple Health beneficiaries in the same eligibility group.
<b>Section 1902(a)(23)(A) – Freedom of Choice</b>	To permit the state to limit the provision of traditional health care practice services to specific, qualified providers (e.g., IHS, Tribal, or UIHO facilities).

Waiver authority	Use for authority
<b>Section 1902(a)(1) – Statewide</b>	To allow the state to phase in implementation geographically or by population, if needed, rather than requiring uniform, statewide implementation.

**Table 6: expenditure authorities**

Expenditure authority	Use for authority
<b>Expenditures Related to Traditional Health Care Practices – Title XIX and XXI</b>	Expenditures for traditional health care practices received through IHS facilities, facilities operated by Tribes or Tribal organizations under the Indian Self-Determination and Education Assistance Act, or facilities operated by UIHOs under Title V of the Indian Health Care Improvement Act, by Apple Health or CHIP beneficiaries who can receive services provided by or through these facilities.

## Section VI: evaluation approach and demonstration hypotheses

Washington state will contract with an independent evaluator to assess the impact and effectiveness of the demonstration. HCA will also work collaboratively with Tribes to define evaluation priorities, outcomes, and appropriate performance measures that reflect Indigenous values and community-defined indicators of impact and contribution to wellness. When possible, the state will select proposed measures from nationally recognized sources and national measure sets.

HCA will develop an evaluation plan, with support from the independent evaluator, and submit the plan for CMS approval. Washington state will conduct ongoing monitoring of the demonstration and comply with all reporting requirements throughout the demonstration period, as required by CMS.

Washington state proposes the following hypotheses and evaluation approaches to include as part of the evaluation design. These hypotheses and approaches are subject to change and will be further defined as HCA works with CMS to develop an evaluation design consistent with the STCs and CMS policies.

**Table 7: hypothesis and evaluation**

Hypothesis	Anticipated measure(s)	Data source(s)	Evaluation approach
Coverage of traditional health care practices will increase access to and use of traditional health care practice services among eligible	Demonstrated increased use of traditional healing services	Administrative claims data	The independent evaluator will use quantitative and qualitative methods, including quasi-experimental comparisons. Utilization trends will be

Hypothesis	Anticipated measure(s)	Data source(s)	Evaluation approach
Apple Health and CHIP beneficiaries.			compared annually and against a baseline population from the 4 years before implementation.

## Section VII: compliance with public notice and Tribal Consultation

HCA started an initial 30-day public notice and comment process from November 5 to December 5, 2025.

To allow more time for partner, stakeholder, and community feedback, HCA extended the public comment period for an additional 15 days, which began **Wednesday, November 5 and now ends Saturday, December 20, 2025.**

The public comment period allows interested people an opportunity to review and provide feedback on the proposed demonstration. During this time, HCA will have presented and discussed the demonstration during four public hearings, a Tribal listening session, and Tribal Consultation.

**The deadline to provide public comment is December 20 at 5:00 p.m. Pacific Time.**

All information related to public comment and public hearings is available on HCA’s [Traditional Health Care Practices waiver page](#) and an [announcement linked on HCA’s homepage](#).

### Public notice

On November 5, HCA published a [public comment period notice](#) via the Washington State Register and [Traditional Health Care Practices waiver page](#). This formally began the public comment period. That same day, HCA [sent an announcement](#) via GovDelivery<sup>9</sup> to notify potentially interested people about the demonstration and public comment period. The announcement included:

- The public hearing dates.
- A link to the draft application and other key resources for understating the demonstration.
- Ways for people to provide input.

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<sup>9</sup> GovDelivery is HCA’s self-subscribing mass email system. Through GovDelivery, people can subscribe to receive announcements, alerts, and notices that pertain to specific topics. HCA sends announcements about the Traditional Health Care Practices waiver to subscribers of the waiver, Tribal partners, Tribal providers, behavioral health providers, and more topics. More than 14,000 people receive these announcements.

To encourage feedback and comply with accessibility rules, people can access the draft application online ([on the waiver page](#)) or request a hard copy.

To notify Tribal partners and others about the public comment period extension and additional public hearings, HCA:

- Updated the demonstration materials.
- Sent announcements via [GovDelivery](#) and [HCA website](#) and a [Dear Tribal Leader Letter \(DTLL\)](#).

## Public hearings

In partnership with Lummi Nation and Yakama Nation, HCA held two public hearings in November in geographically diverse areas of Washington state. In December, HCA hosted two additional hearings. Public hearings provide attendees an opportunity to ask questions, provide input, and attend in person, join virtually, or call in.

**Table 8: public hearings**

Date and time	Location	Meeting information
Friday, November 14 1-2:30 p.m.	<b>Legends Casino Hotel</b> 580 Fort Road Toppenish, WA 98948  <b>Hosted by Yakama Nation</b>	<a href="#">Join on Zoom</a> Meeting ID: 817 3643 0815  Call in: 1-253-215-8782 (Tacoma) 1-253-205-0468 (U.S.)  <a href="#">See more information on how to join.</a>
Wednesday, November 19 1-2:30 p.m.	<b>Lummi Nation Administration Building</b> Kwelshan Conference Room, 2 <sup>nd</sup> floor 2565 Kwina Road Bellingham, WA 98226  <b>Hosted by Lummi Nation</b>	<a href="#">Join on Zoom</a> Meeting ID: 875 6272 8945  Call in: 1-253-215-8782 (Tacoma) 1-253-205-0468 (U.S.)  <a href="#">See more information on how to join</a>
Friday, December 5 2:30–4 p.m.	<b>Health Care Authority</b> Pear Conference Room, 1 <sup>st</sup> floor 626 8 <sup>th</sup> Avenue SE Olympia, WA 98501	<a href="#">Join on Zoom</a> Meeting ID: 817 1259 2459  Call in: 1-253-215-8782 (Tacoma) 1-253-205-0468 (U.S.)  <a href="#">See more information on how to join</a>
Tuesday, December 9 10:30 a.m.–noon	<b>Health Care Authority</b> Fir Conference Room, 2 <sup>nd</sup> floor	<a href="#">Join on Zoom</a> Meeting ID: 846 7243 0072

Date and time	Location	Meeting information
	626 8 <sup>th</sup> Avenue SE Olympia, WA 98501	Call in: 1-253-215-8782 (Tacoma) 1-253-205-0468 (U.S.)  <a href="#">See more information on how to join</a>

## Tribal Consultation

On October 30, HCA notified Tribal leaders about the state’s [comment period for Tribes](#) for the Traditional Health Care Practices demonstration. On December 1, HCA notified Tribes regarding the comment period extension. In the DTLL, HCA encouraged input from Tribes and shared the public hearing dates. Tribal voices are vital to this demonstration, and the state wants to ensure Tribes have many opportunities to provide input.

In addition to the public hearings, HCA will offer a listening session and Consultation in December for Tribes to share their input. HCA’s goals for these meetings — in addition to listening to Tribal partners — is to receive Tribes’ formal acceptance of the final draft application before submitting to CMS.

**Table 9: additional opportunities for Tribes**

Meeting type	Date and time	Zoom and call-in information
<b>OTA listening session</b>  Attendees can join virtually or call in.	Thurs., December 11, 2025 10–11 a.m.	<a href="#">Join on Zoom</a>  Meeting ID: 845 3876 0381  Call in: 1-253-215-8782 (Tacoma) 1-253-205-0468 (U.S.)  <a href="#">See more information on how to join.</a>
<b>OTA Tribal Consultation</b>  Attendees can attend in person, join virtually, or call in.	Tues., December 16, 2025 10:30 a.m.–noon  Health Care Authority Cherry Street Plaza Eagle Conference Room 552 626 8th Avenue SE Olympia, WA 98501  <a href="#">View the visitor map and parking information.</a>	<a href="#">Join on Zoom</a>  Meeting ID: 852 6971 9937  Call in: 1-253-215-8782 (Tacoma) 1-253-205-0468 (U.S.)  <a href="#">See more information on how to join.</a>

Earlier in the year in August, HCA sent a DTLL to Tribal leaders about the [Traditional Health Care Practices Workgroup](#). HCA invited Tribes to identify representatives to join the workgroup and share their input on demonstration design. Throughout the summer and fall of 2025, HCA continued to meet with

Tribes and UIHOs to gather feedback about traditional health care services being provided within Native communities.

### **Additional communication**

Along with the communications described earlier, HCA shared other announcements and social media posts, encouraging interested people to attend a public hearing or share their input about the demonstration. [View the GovDelivery announcements sent throughout November and December.](#)

In addition, HCA provided a link for people to subscribe to the [Traditional Health Care Practices waiver topic](#) in GovDelivery on the [waiver page](#) and demonstration materials.

### **Summary of public and Tribal comments and state response**

HCA will write a summary of public comments received — including those from federally recognized Tribes — after the public comment period and Tribal Consultation. HCA will also include the state’s responses and any changes made to the application because of public comment and Tribal Consultation.

## **Section VIII: demonstration administration**

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