

The Medicaid Transformation Project renewal

The Health Care Authority (HCA) is pursuing a renewal for Washington State's Section 1115 Medicaid demonstration waiver, called the Medicaid Transformation Project (MTP). MTP is an agreement with the Centers for Medicare & Medicaid Services (CMS) that allows our state to create and continue to develop projects, activities, and services that improve Washington's health care system. MTP will end on December 31, 2022.

The goals of the renewal are to:

- Ensure equitable access to whole-person care, empowering people to achieve their optimal health and well-being in the setting of their choice.
- Build healthier, equitable communities with communities.
- Pay for integrated health and equitable, value-based care.

If approved, the new MTP renewal period would be from January 1, 2023–December 31, 2027.

What is HCA doing now?

Working with partners

HCA continues to develop the MTP renewal application, which we plan to submit to CMS in mid-2022. Our work includes collaborating with partners, specifically Accountable Communities of Health (ACHs), Tribes, managed care organizations (MCOs), Department of Health (DOH), and others. Together, we are discussing, researching, and exploring the evolution of Initiative 1 and other current MTP work, along with new renewal programs.

HCA is also clarifying connections to other work, such as the [Community Health Access and Rural Transformation \(CHART\) Model grant](#) and [Multi-payer Primary Care Transformation Model](#).

Working with the Legislature

Although the new MTP renewal period would start in 2023, HCA must receive spending authority from the Washington State Legislature during the 2022 legislative session. Most funds received for the renewal would be federal dollars, but the Legislature must approve Washington State's spending under the renewal. This also includes approval of any MTP renewal funds that may require state funds.

HCA submitted an MTP renewal decision package for consideration to be included in the Governor's budget proposal to the Legislature. Although the MTP renewal would start in the current biennial budget cycle, we will also have budget discussions in 2022 to continue the MTP renewal in the new biennial budget period.

Determining funding and finance

The Medicaid Quality Improvement Program (MQIP) will play a prominent role in maximizing federal funding of the renewal. This builds on the continued and successful use of MQIP, which supports the current MTP period. MQIP is a funding mechanism that operates as a partnership between HCA, MCOs, and Washington State public hospitals.

The non-federal share of MQIP would be funded by intergovernmental transfers contributed by public hospitals. Transformation work through ACHs and Indian health care providers (IHCPs), long-term services and supports, and Foundational Community Supports would be fully funded through MQIP.

What's current programs are changing under the renewal?

Evolution of Initiative 1

Under the renewal, HCA, Accountable Communities of Health (ACHs), and other partners will focus on three areas:

Clinical integration

In 2020, Washington State completed financial integration of behavioral and physical health care. Now, the state is focusing on clinical integration and implementing a statewide, standardized assessment, with support from MCOs, ACHs, providers, and others. The assessment, called the Washington Integrated Care Assessment (WA-ICA), will improve the patient-provider relationship and further support whole-person care, improve provider communication, link people to critical services, and more. HCA is exploring federal funding options to support providers in participating in WA-ICA.

Health-related social needs (HRSNs)

HRSNs, such as transportation supports, respite services, home-delivered meals, and educational services and supports, play an important role in whole-person care and healthier communities. Within this area of focus, HCA is:

- Considering how the MTP renewal could help build capacity for and pilot the payment and delivery of HRSN services.
- Looking at what existing Medicaid authorities might be used to pay for allowable HRSN services.
- Determining which HRSN services to fund through MTP and other authorities.
- Looking at coordination and connections between existing MTP programs, such as Foundational Community Supports.

Community-based care coordination (CBCC)

Under the renewal, we want to ensure Apple Health enrollees receive coordinated health and social services to address their physical and behavioral health and social needs. HCA proposes to implement “Community Hubs” in close partnership with Department of Health. Community Hubs would serve as regional networks that identify and engage with people who have health and social needs and connect them to community organizations and resources.

Learn more about the [evolution of Initiative 1](#).

Note: HCA continues to partner with Tribes and Indian health care providers (IHCPs) on the unique health needs of American Indian/Alaska Native people, with MTP being a tool to improve outcomes. While this section is focused on the evolution of ACH activities, similar efforts with Tribes and IHCPs will continue and be refined through Tribal consultation in the renewal.

Long-term services and supports (LTSS)

Under the renewal:

- LTSS would extend the use of presumptive eligibility to all incoming LTSS applicants for a period of about 60 days.
- We would continue LTSS policy modifications related to Medicaid Alternative Care (MAC) and Tailored Supports for Older Adults (TSOA).

Foundational Community Supports (FCS)

Under the renewal, FCS would:

- Provide the ability to use Medicaid funds to help FCS enrollees pay for one-time transition fees (including first and last month’s rent, application fees, and/or basic home goods) when an enrollee:
 - Is exiting inpatient mental health or substance use disorder treatment.
 - Experienced homelessness the month prior to receiving treatment.
- Expand eligibility factors for supported employment to include people exiting jail, prison, or who have a status of “on parole.”
- Expand supportive housing eligibility to 16 years and older. This would offer the ability to provide pre-tenancy supports to transition-age youth and youth exiting foster care.

What isn’t changing under the renewal?

Washington’s substance use disorder IMD and mental health IMD programs would continue under the renewal with no changes. IMDs are large facilities dedicated to psychiatric care (more than 16 beds where more than 50 percent of the residents are admitted for psychiatric care).

What’s new under the renewal?

Potential new programs would include:

- Re-entry initiatives: coverage and services for people in and coming out of jail, prison, and other correctional facilities.
- Continuous Medicaid enrollment for children up to age six.
- Extending coverage for postpartum services.
- Enhancing LTSS services to include rental subsidies, guardianship supports, and coordinated personal care for certain groups (not exclusive to MAC and TSOA clients).

Where can I find more information?

- Visit our [future of MTP](#) and [MTP renewal](#) pages on the HCA website.
- [Sign up to receive announcements](#) about MTP. There’s a selection of topics to choose from under “health transformation.”