
Medicaid 1115 Waiver Update

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Overview

- Timeline
- Waiver Concept and Strategies
- Budget Neutrality
- New Federal Investment
- Waiver & SPA Costs
- Additional Needs
- Summary

Timeline



Waiver Concept and Strategies

1115 Waiver proposal for State Fiscal Years 2023-2027

All requests are driven by the goal of eliminating health inequities.



**Maximizing
coverage through
the Oregon Health
Plan**



**Improving health
outcomes by
streamlining
transitions**



**Encouraging
smart, flexible
spending for
health equity**



**Focused
health equity
investments**

Budget Neutrality – as of 2/3/22

(Budget neutrality is required by CMS to prove the waived services do not cost more than a traditional Medicaid program)

Cumulative Available Room = Current Waiver

SFY20	SFY21	SFY22 (Projected)
\$19.5 billion	\$21.0 billion	\$22.7 billion

Estimated Cumulative Available Room = New Waiver

SFY20	SFY21	SFY22 (Projected)
\$3.5 billion	\$5.0 billion	\$6.7 billion

CMS expected to require changes to calculations

Based on current guidance:

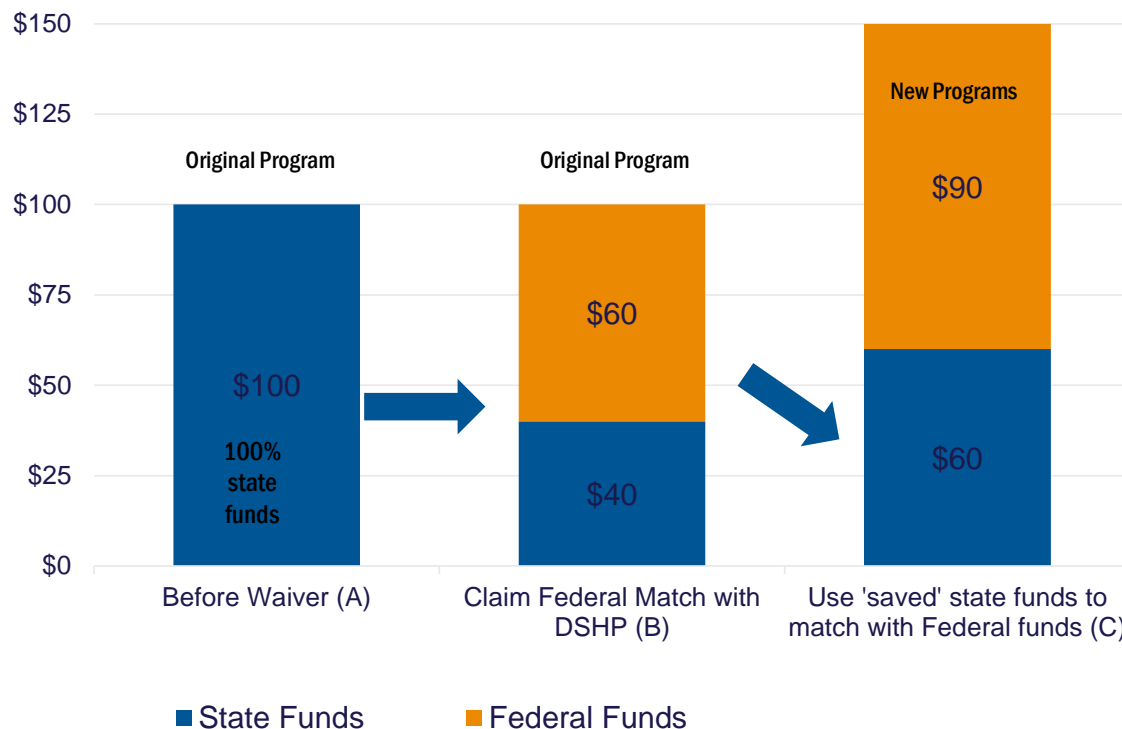
- Able to cumulate savings only from beginning of current waiver (SFY18)
- Rebasing likely required
- Will result in less cumulated savings

With the current assumptions, OHA projects to have room in Budget Neutrality for proposed waiver

Designated State Health Programs (DHSP)- Overview & Example

Waiver goal to maximize federal funding – DSHP is a CMS program used to accomplish this goal

DSHP allows for states to ask for federal funding for “Medicaid like” services that are not usually Medicaid eligible



\$100 program example:

COLUMN A: Original program is funded by 100% state funds.

COLUMN B: Claim match on current state-only funded programs. The original program remains the same level of total funds. New “Buy Out” federal match results in state fund savings.

COLUMN C: Invest state fund savings in Targeted Investments with Federal match.

Designated State Health Programs (DSHP)

Overview Estimate– in millions

Original Program + DSHP Match	SFY23	SFY24	SFY25	SFY26	SFY27	Total
Currently state funded programs potentially available for DSHP* (Column A, in example) *Next slide shows detail	\$207	\$214	\$221	\$229	\$236	\$1,107
New “Buy Out” Federal match estimate, becomes state fund savings (Column B in orange, in example)	\$125	\$129	\$132	\$136	\$141	\$662

New Programs Reinvest Savings	SFY23	SFY24	SFY25	SFY26	SFY27	Total
Saved state funds due to DSHP (Column C in blue, in example)	\$125	\$129	\$132	\$136	\$141	\$663
Federal Match (Column C in orange, in example)	\$358	\$367	\$371	\$381	\$393	\$1,870
Total Available for Targeted Health Equity Investments	\$483	\$496	\$503	\$517	\$534	\$2,533

*It is expected that CMS will not approve all state fund programs in the request. It is also likely they will reduce the federal investment in later years of the Waiver.

Designated State Health Programs (DSHP)

Detail on the current state funded programs potentially available for DSHP* (in millions)

(Column A, in example)

Agency*	SFY23	SFY24	SFY25	SFY26	SFY27	Total
Oregon Department of Human Services	\$27	\$28	\$29	\$30	\$31	\$144
Oregon Health Authority	\$219	\$226	\$234	\$242	\$250	\$1,172
Oregon Housing & Community Services	\$65	\$67	\$69	\$72	\$74	\$348
Oregon Youth Authority	\$1	\$1	\$1	\$1	\$1	\$5
Subtotal	\$312	\$323	\$334	\$345	\$357	\$1,670
Reduction for Undocumented & Maintenance of Effort	(\$105)	(\$109)	(\$112)	(\$116)	(\$120)	(\$563)
Current Programs Total Funds (100% state funds)	\$207	\$214	\$221	\$229	\$236	\$1,107

*Would require additional Federal Limitation for each Agency to implement DSHP

Designated State Health Programs (DSHP)

Reinvesting state fund savings in new health equity focused programs (Column C, in example)

	SFY23	SFY24	SFY25	SFY26	SFY27	Total
Estimated Total Available – in millions	\$483	\$496	\$503	\$517	\$534	\$2,533

- Fund transitional services in the Waiver
- Build Infrastructure & capacity to support community-led health equity investments
- Grant community-led collaboratives resources to invest in health equity
- Provide social supports to members experiencing life transitions & disruptive climate events:
 - Housing support for those at risk for homelessness
 - Health-related transportation
 - Food assistance
 - Employment supports

Waiver & State Plan Amendment (SPA) Estimated State Fund Costs - Summary

	SFY24		SFY25		SFY26		SFY27	
Proposed Waiver Investments	General Funds	DSHP	General Funds	DSHP	General Funds	DSHP	General Funds	DSHP
Continuous Enrollment	\$16.8	-	\$49.1	-	\$76.5	-	\$101.0	-
Justice-involved Individuals	-	\$5.6	-	\$5.8	-	\$6.0	-	\$6.2
Youth with Special Health Care Needs (YSHCN)	-	\$2.7	-	\$5.2	-	\$7.9	-	\$10.8
DSHP Targeted Investments (including housing support for those at risk for homelessness)	-	TBD	-	TBD	-	TBD	-	TBD
Total (in millions)	\$16.8	TBD	\$49.1	TBD	\$76.5	TBD	\$101.0	TBD

Waiver anticipated General Fund need: 2023-25 biennium: \$65.9 million, 2025-27 biennium: \$177.5 million

Proposed State Plan Amendment (SPA)	General Funds	DSHP	General Funds	DSHP	General Funds	DSHP	General Funds	DSHP
Expedited enrollment w/SNAP	\$53.2	-	\$55.1	-	\$56.9	-	\$58.9	-
Justice involved county open-card fee for service users	\$0.041	-	\$ 0.047	-	\$0.048	-	\$ 0.050	-
Total (in millions)	\$53.3	-	\$55.1	-	\$57.0	-	\$ 58.9	-

SPA anticipated General Fund need: 2023-25 biennium: \$108.4 million, 2025-27 biennium: \$115.9 million

Thank You

