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New Opportunities to Address Health-Related Social Needs through Medicaid's Section 1115 Waivers

Complex social factors and deeply ingrained systemic barriers are powerful influences that affect people's health and opportunities. Health care leaders and systems increasingly acknowledge the importance of addressing social determinants of health (SDoH) and health-related social needs (HRSN) in order to achieve whole person health. Accordingly, the Medicaid program has gradually expanded over time to support non-clinical interventions that can improve member health outcomes and reduce the costs of care, particularly as the evidence base for such interventions has grown larger and stronger.

Section 1115 demonstration waivers provide states an avenue to test new approaches in Medicaid and often reflect changing priorities from one presidential administration to another. The Biden Administration has recently approved significant changes, under §1115 authority, regarding how Medicaid can be leveraged to address critical needs like housing and nutrition. **This new regulatory framework creates a transformative opportunity to better serve Health First Colorado members by addressing health-related social needs and ultimately improving health and wellbeing in Colorado.**

In the fall of 2022, the Center for Medicare and Medicaid Services (CMS) approved four landmark 1115 waivers to test approaches to meeting the health-related social needs of Medicaid members. Arkansas, Arizona, Massachusetts, and Oregon all received approval from CMS for waivers that would provide expanded HRSN services to certain subpopulations of Medicaid members.

The waiver structure allows for federal matching funds for a variety of housing and nutrition supports for target populations, such as individuals at risk of homelessness. Importantly, all support services must be medically appropriate using state-defined clinical and social risk factors for the individual receiving them.

Housing Support

Notably, CMS included the option of up to six months of rental assistance or temporary housing as a potential covered service in these waivers, marking the farthest the federal government has gone in funding housing support via Medicaid.

This is in addition to a suite of other services that helps people maintain housing including:

- Pre-tenancy and tenancy support services (e.g. housing application, moving support, and eviction protections)
- Home modifications
- Supplies to maintain healthy temperatures and clean air (e.g. air conditioners, filtration, and refrigeration) in the case of extreme climate events such as wildfires, extreme heat or cold.
- Housing-focused navigation and/or case management systems
- Housing deposits, application, inspection fees, and other one-time transition and moving costs

Nutrition Support & Food Security

Waivers have also included expansive and comprehensive strategies for addressing food insecurity, including covering a range of interrelated services:

- Nutrition counseling and education
- Meal delivery up to three meals/day for six months
- Medically tailored food prescriptions
- Cooking supplies (e.g. pots and pans)
- Links to community-based food resources

Populations Served

States have utilized a variety of frameworks for targeting specific Medicaid populations who would be eligible for these services. Examples include:

- Members who are homeless or at risk of homelessness
- Justice-involved members
- Children aging out of foster care
- Individuals with SMI or SUD
- Pregnant or postpartum individuals

The Opportunity

Pursuing a §1115 waiver would be a significant undertaking for the state but also holds great promise for transformation in Colorado. The Department of Health Care Policy and Financing is already studying the possibilities of addressing HRSN through this type of waiver as part of House Bill 23-1300. Colorado has considerable strengths to draw on in pursuing a waiver including: an engaged community and state legislators, a number of current grant and pilot programs supporting health-related social needs, and a history of innovation. Colorado also has the benefit of learning from the early states that are implementing these waivers, while still being early enough in the process for the state to set its own direction and vision. **Ultimately, this new framework creates new and impactful ways for Medicaid to better meet the urgent needs of members and improve overall health and wellbeing.**

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