Appendix 7: Medicaid Waiver Comparison of Major Features

Federal Authority	Application Requirements	Initial Approval Process	Timeframe for Review and Determination	Features	Budget/Cost Neutrality	Considerations
1915(b)	Complete a web-based CMS-issued pre-print waiver application	CMS Regional and Central Office review process	Up to 2 90-day periods (not counting time taken to answer CMS questions)	Generally used to restrict freedom of choice of provider (for managed care) May provide enhanced benefits to the extent that managed care savings can be used with CMS approval Does not expand eligibility	"Cost effectiveness" test requires state to show that projected PMPM cost will be no greater than would have been incurred under fee-for-service including a projected inflation factor	CMS more flexible in how States target enhanced benefits
1915(c)	Complete a web-based CMS-issued pre-print waiver application	CMS Regional and Central Office review process	Up to 2 90-day periods (not counting time taken to answer CMS questions)	Provides a wide array of home and community-based services May be operated on less than a statewide basis Can extend Medicaid eligibility to individuals who would be eligible if they resided in an institution	"Cost neutrality" test compares waiver cost to the cost of institutional care at average per person and aggregate cost level (for a specific level of care or separate/combined levels of care)	Can cap enrollment and establish waiting lists

Appendix 7: Medicaid Waiver Comparison of Major Features *(cont.)*

Federal Authority	Application Requirements	Initial Approval Process	Timeframe for Review and Determination	Features	Budget/Cost Neutrality	Considerations
1115	No set application	CMS Regional and Central office review; other HHS divisions and Office of Management and Budget more involved	No set timeframe; can be lengthy	Can be used to implement major redesign of the Medicaid program in a state Can also be used to test new programs (Research and Demonstration) Can offer additional services Can be used as a vehicle to expand Medicaid eligibility	"Budget neutrality" test compares waiver costs to a negotiated without-waiver baseline and sets a 5-year cap on federal matching funds	Greatest flexibility for redesigning Medicaid including long-term care CMS policy on 1115 waivers after 2014 remains an unknown
1915(i) State plan HCBS	Complete a CMS-issued pre-print State Plan Amendment	CMS Regional and Central Office review process	Up to 2 90-day periods (not counting time taken to answer CMS questions)	Provides a wide array of home and community-based services Can extend Medicaid eligibility to individuals who would be eligible if they were enrolled in a HCBS waiver	Not required	Caps and waiting lists are not permitted and services must be offered statewide