Section 1915(c) waiver program participants in 2020

CENTERS FOR MEDICARE & MEDICAID SERVICES

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About this brief

WHAT IS THIS BRIEF?

This data brief describes Medicaid enrollees who participated in a section 1915(c) waiver program in 2020. CMS is releasing this data brief as part of ongoing agency efforts to measure disparities in access to care and make focused, evidence-based investments to improve health equity for the Medicaid and CHIP population. In 2020, nearly all states and the District of Columbia operated at least one section 1915(c) waiver program, providing access to long-term home and community-based services (HCBS) for about 1.7 million Medicaid enrollees. A larger share of section 1915(c) waiver program participants are older (65+), dually eligible for Medicare, and non-Hispanic White than nonparticipants. The information in this brief, as well as updated counts that reflect data from later years, will be made available for download at data.medicaid.gov.

WHAT IS THE SOURCE OF INFORMATION?

This brief is based on data reported by states to CMS as part of the Transformed Medicaid Statistical Information System (T-MSIS). States report information each month via T-MSIS about their enrollees, Medicaid- and CHIP-covered services, payments to providers and managed care organizations, enrollees' diagnoses and health conditions, and information on providers and managed care plans. These data are converted into the T-MSIS Analytic Files (TAF), which are optimized for research purposes. More information about T-MSIS and TAF is available at Medicaid.gov.[1] Many states have high-quality and complete information on Medicaid enrollment, scope of benefits, and age in the TAF; however, some states have data quality issues with their waiver enrollment data. More information on TAF data quality can be found on the DQ Atlas.[2]

To classify enrollees based on race and ethnicity as shown in Figure 3, CMS used the 2020 TAF Race/Ethnicity Imputation (REI) Companion File, which includes state-reported information on enrollee race and ethnicity when it is reported and of good quality (74 percent of all enrollees, nationwide), and indirectly estimated race and ethnicity when the state-reported information is missing or unreliable (26 percent of all enrollees). CMS based its indirect estimates of race and ethnicity on an enhanced version of a well-validated method that is widely used for this purpose: Bayesian Improved Surname and Geocoding (BISG). BISG[3] draws on the racial and ethnic distribution associated with a person's surname and geographic location to estimate the person's probability of reporting being in each of six racial and ethnic groups.[4] The distribution of race and ethnicity for surnames from the Census Bureau is not available separately for race and ethnicity, so the categories are combined here.[5] CMS enhanced the standard BISG methodology for these data by supplementing with T-MSIS information about enrollees' first names and their American Indian or Alaska Native certification.

To classify enrollees as living in an urban or rural location as shown in Figure 4, CMS used the 2010 Rural-Urban Commuting Area (RUCA) code classification scheme from the U.S. Department of Agriculture. Enrollees are assigned to an urban or rural residence category based on the 2010 RUCA code associated with their home or mailing address ZIP code in TAF. RUCA codes 4 to 10 correspond to rural areas and RUCA codes 1 to 3 correspond to urban areas, which include all towns and cities with a population of 50,000 or more as well as surrounding suburban areas.

WHO IS INCLUDED IN THIS ANALYSIS?

The figures in this brief include Medicaid enrollees from all states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands, except where otherwise noted. None of the figures in this brief include enrollees in Guam, American Samoa, and the Northern Mariana Islands because T-MSIS data are not available for these territories. All figures exclude people who were enrolled in CHIP because CHIP enrollees are not eligible to participate in section 1915(c) waiver programs. All figures exclude enrollees from five states that had data quality concerns with their section 1915(c) waiver program enrollment in TAF: New Jersey, Missouri, Tennessee, Washington, and North Carolina. New Jersey does not operate a section 1915(c) waiver program but reported enrollees in TAF. Missouri, Tennessee, and Washington have active section 1915(c) waiver programs, but these states did not report any enrollees in TAF. North Carolina reported an unrealistically high number of section 1915(c) waiver program enrollees in TAF (about 70 percent of its total Medicaid population), which indicates a data quality issue. Figure 4 also excludes enrollees residing in the U.S. Virgin Islands because this territory is not included in the 2020 REI Companion File.

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[1] https://www.medicaid.gov/medicaid/data-systems/macbis/transformed-medicaid-statistical-information-system-t-msis/index.html

[2] https://www.medicaid.gov/dq-atlas/welcome

[3] https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6338295/

[4] The six racial and ethnic groups shown in this brief are: non-Hispanic White, Hispanic, non-Hispanic Black, non-Hispanic Asian/Pacific Islander, non-Hispanic American Indian and Alaska Native, and non-Hispanic multiracial. Fewer than half of states report any multiracial Medicaid or CHIP enrollees in TAF, and the accuracy of the indirect estimates for this group is low. Information about enrollees in the multiracial group in Figure 3 should be interpreted with caution.

[5] https://www.census.gov/data/developers/data-sets/surnames.html

About this brief

HOW IS SECTION 1915(C) WAIVER PROGRAM ENROLLMENT DEFINED?

Section 1915(c) waiver programs allow states to offer a variety of HCBS (such as case management, personal care, and home health services) to certain enrollees in place of care provided in an institutional setting.[6] A Medicaid enrollee is classified as participating in a section 1915(c) waiver program if the state reported the enrollee with a valid section 1915(c) waiver program type code on their enrollment record in T-MSIS. This code indicates the type of section 1915(c) waiver program under which the enrollee received coverage (e.g., aged and disabled, physical disabilities). Individuals can be enrolled in more than one type of waiver program each month, and enrollees are counted as participating in a section 1915(c) waiver program if they had any waiver program enrollment during the year.

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[6] https://www.medicaid.gov/medicaid/home-community-based-services/home-community-based-services-authorities/home-community-based-services-1915c/index.html

2 – ALL MEDICAID ENROLLEES PARTICIPATING IN SECTION 1915(C) WAIVER PROGRAMS

Which states had the largest shares of their Medicaid population participating in a section 1915(c) waiver program?

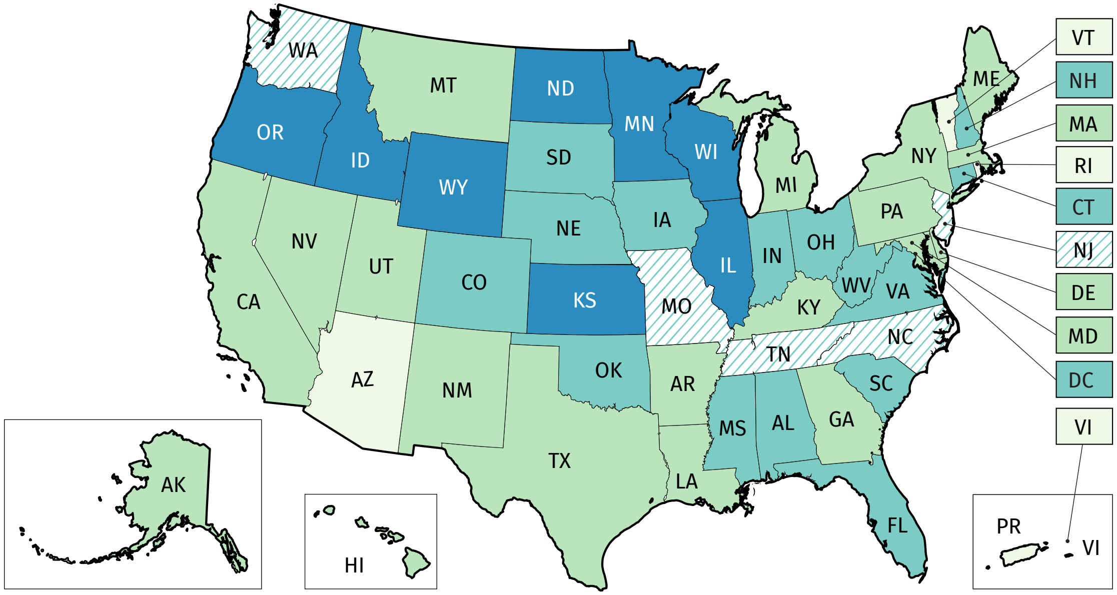
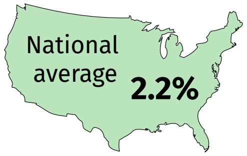


FIGURE 1. PROPORTION OF MEDICAID POPULATION PARTICIPATING IN A SECTION 1915(C) WAIVER PROGRAM IN 2020, BY STATE

- ☐ No enrollment in waiver program
- 🟩 Less than 2.5%
- 🟩 Between 2.5% and 4.5%
- 🟦 Greater than 4.5%
- ▨ Unusable data



Nationally, about 2.2 percent of Medicaid enrollees participated in a section 1915(c) waiver program in 2020. States can obtain section 1915(c) waivers to cover long-term services provided to individuals in home or community-based settings in place of institutional care. Section 1915(c) waiver programs grant states the flexibility to define the target population and the services furnished through the program.

Nearly all states and the District of Columbia operate at least one section 1915(c) waiver program, and there are currently more than 250 active waiver programs. Four states (Arizona, New Jersey, Rhode Island, and Vermont), Puerto Rico, and the U.S. Virgin Islands do not operate section 1915(c) waiver programs, although, Arizona, New Jersey, Rhode Island, and Vermont offer 1915(c)-related services via 1115 demonstrations. All other states enroll up to 7.5 percent of their Medicaid population in section 1915(c) waiver programs, with the largest shares of waiver program participants in Kansas, Minnesota, Wisconsin, and Wyoming.

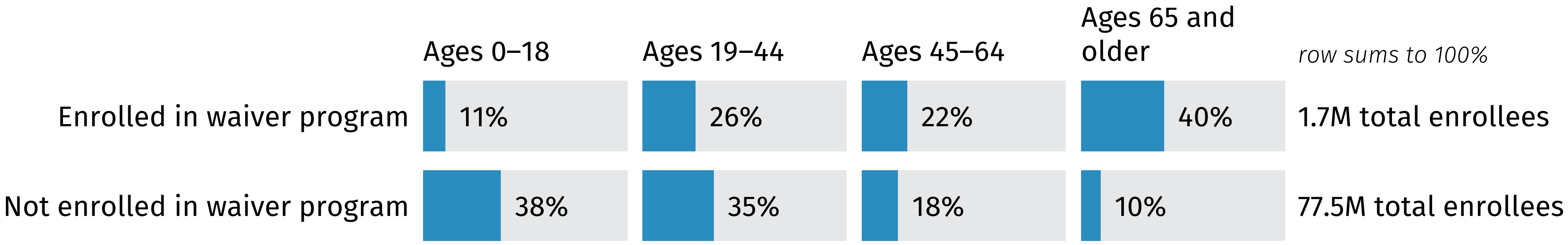
SOURCES: 2020 T-MSIS Analytic Files Annual Demographic and Eligibility File and Waiver Supplemental File, Release 1.

NOTES: This figure excludes Medicaid enrollees from five states due to TAF data quality concerns: Missouri, North Carolina, New Jersey, Tennessee, and Washington. Among the remaining states and territories, this figure includes all Medicaid enrollees, including those with limited benefits and those who were dually eligible for Medicare. It does not include M-CHIP and S-CHIP because enrollees receiving coverage through CHIP are not eligible to participate in section 1915(c) waiver programs. The non-section 1915(c) waiver program population may include enrollees who participated in other home and community-based services (HCBS) authorities such as 1915(i), 1915(j), and 1915(k) state plan options.

3 – Spotlight on section 1915(c) waiver program participants

What is the age composition of Medicaid enrollees who participated in a section 1915(c) waiver program?

Figure 2. Age distribution of Medicaid enrollees by section 1915(c) waiver program participation in 2020



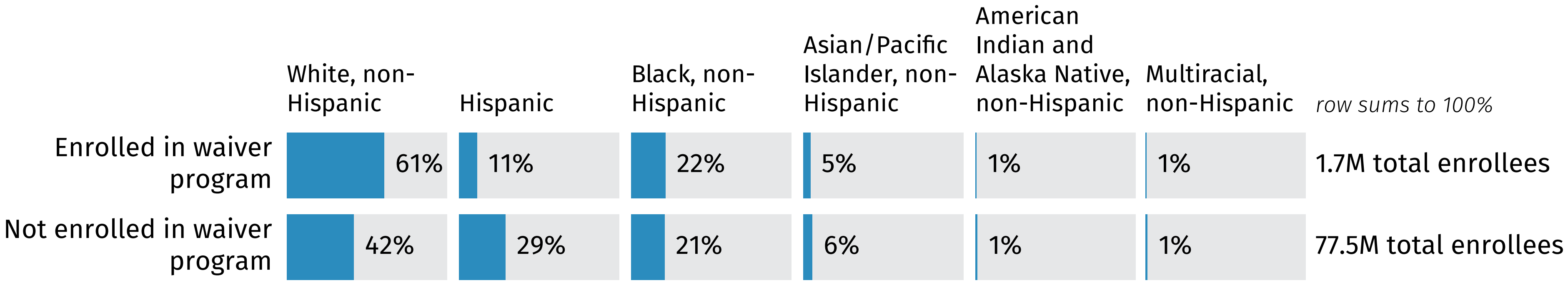
States have the flexibility to define the eligible population for a particular section 1915(c) waiver program, including age criteria. Medicaid enrollees who participated in a section 1915(c) waiver program tend to be older than nonparticipants, which likely reflects a greater need for long-term services and supports at older ages. The share of section 1915(c) waiver program participants who are age 65 and older is four times the share of the Medicaid population not enrolled in section 1915(c) waiver programs.

Sources: 2020 T-MSIS Analytic Files Annual Demographic and Eligibility File and Waiver Supplemental File, Release 1.

Notes: Percentages may not sum to 100 percent due to rounding. This figure excludes Medicaid enrollees from five states due to TAF data quality concerns: Missouri, North Carolina, New Jersey, Tennessee, and Washington. Among the remaining states and territories, this figure includes all Medicaid enrollees, including those with limited benefits and those who were dually eligible for Medicare. It does not include M-CHIP and S-CHIP because enrollees receiving coverage through CHIP are not eligible to participate in section 1915(c) waiver programs. The non-section 1915(c) waiver program population may include enrollees who participated in other HCBS authorities such as 1915(i), 1915(j), and 1915(k) state plan options.

Is there variation in the racial and ethnic distribution among Medicaid enrollees who participated in a section 1915(c) waiver program?

Figure 3. Race and ethnicity of section 1915(c) waiver program participants in 2020



A larger proportion of Medicaid enrollees who received care through a section 1915(c) waiver program are non-Hispanic White and a smaller proportion are Hispanic than those who did not participate in a section 1915(c) waiver program.

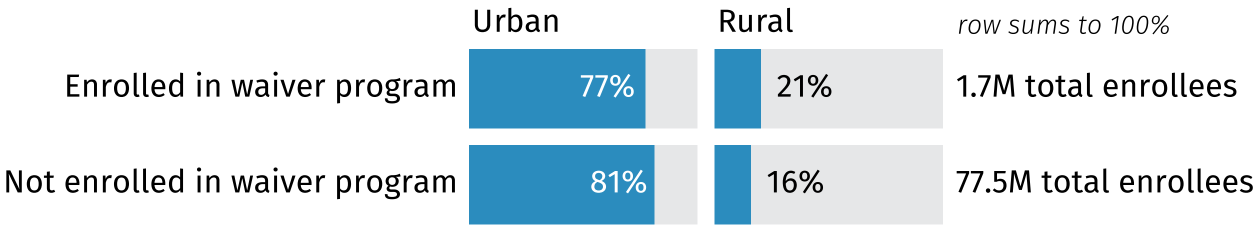
The racial and ethnic distribution of section 1915(c) waiver program participants may be a result of these programs serving an older age demographic and operating in states where a larger share of enrollees are non-Hispanic White. For more details on the racial and ethnic distribution of subgroups in the Medicaid population, see the data brief titled *Race and ethnicity of the national Medicaid and CHIP population in 2020*.

Sources: 2020 T-MSIS Analytic Files Annual Demographic and Eligibility File and Waiver Supplemental File, Release 1 and 2020 Race/Ethnicity Imputation (REI) Companion File.

Notes: Percentages may not sum to 100 percent due to rounding. This figure excludes Medicaid enrollees from five states due to TAF data quality concerns: Missouri, North Carolina, New Jersey, Tennessee, and Washington. The U.S. Virgin Islands are also excluded because data from that territory are not included in the 2020 REI Companion File. Among the remaining states and Puerto Rico, this figure includes all Medicaid enrollees, including those with limited benefits and those who were dually eligible for Medicare. It does not include M-CHIP and S-CHIP because enrollees receiving coverage through CHIP are not eligible to participate in section 1915(c) waiver programs. The non-section 1915(c) waiver program population may include enrollees who participated in other HCBS authorities such as 1915(i), 1915(j), and 1915(k) state plan options.

Does rural residency vary by participation in a section 1915(c) waiver program?

Figure 4. Rural residence among section 1915(c) waiver program participants in 2020



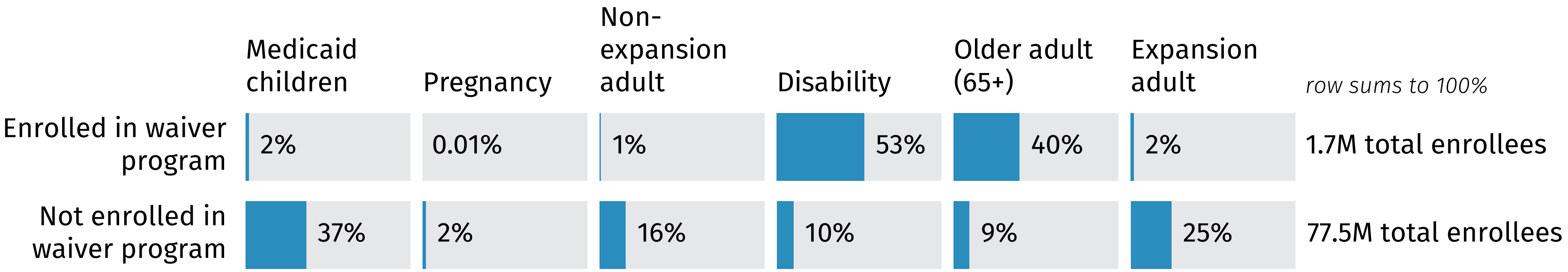
A larger proportion of section 1915(c) waiver program participants resided in a rural area than nonparticipants and a smaller proportion lived in an area designated as urban, which encompasses all cities and towns with a population exceeding 50,000 as well as their surrounding suburbs.

Sources: 2020 T-MSIS Analytic Files Annual Demographic and Eligibility File and Waiver Supplemental File, Release 1.

Notes: Percentages may not sum to 100 percent due to rounding. This figure excludes Medicaid enrollees from five states due to TAF data quality concerns: Missouri, North Carolina, New Jersey, Tennessee, and Washington. Among the remaining states and territories, this figure includes all Medicaid enrollees, including those with limited benefits and those who were dually eligible for Medicare. It does not include M-CHIP and S-CHIP because enrollees receiving coverage through CHIP are not eligible to participate in section 1915(c) waiver programs. The non-section 1915(c) waiver program population may include enrollees who participated in other HCBS authorities such as 1915(i), 1915(j), and 1915(k) state plan options.

What are the most common Medicaid eligibility categories for enrollees who participated in section 1915(c) waiver programs?

Figure 5. Medicaid eligibility categories among section 1915(c) waiver program participants in 2020



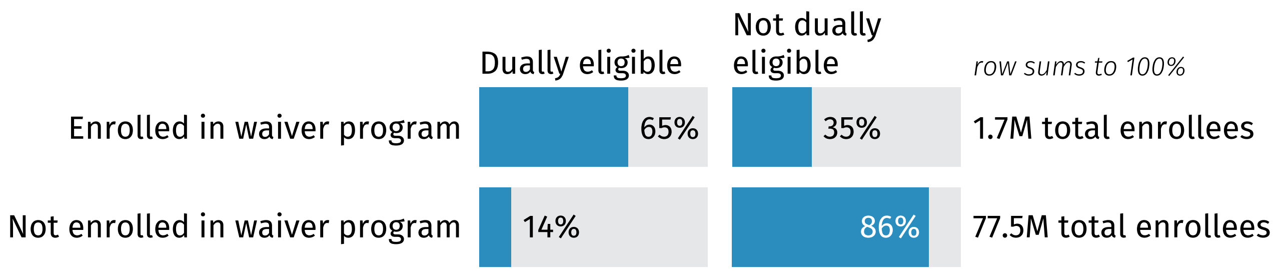
The most common Medicaid eligibility categories for section 1915(c) waiver program participants are the disability and older adult (65+) categories. HCBS for people who would otherwise require institutionalization are most often used by older adults and people with disabilities. Non-waiver program participants more often receive Medicaid coverage through the Medicaid children and expansion adult categories.

Sources: 2020 T-MSIS Analytic Files Annual Demographic and Eligibility File and Waiver Supplemental File, Release 1.

Notes: Percentages may not sum to 100 percent due to rounding. This figure excludes Medicaid enrollees from five states due to TAF data quality concerns: Missouri, North Carolina, New Jersey, Tennessee, and Washington. Among the remaining states and territories, this figure includes all Medicaid enrollees, including those with limited benefits and those who were dually eligible for Medicare. It does not include M-CHIP and S-CHIP because enrollees receiving coverage through CHIP are not eligible to participate in section 1915(c) waiver programs. The non-section 1915(c) waiver program population may include enrollees who participated in other HCBS authorities such as 1915(i), 1915(j), and 1915(k) state plan options.

Does dual eligibility status vary by participation in a section 1915(c) waiver program?

FIGURE 6. DUAL ELIGIBILITY STATUS OF SECTION 1915(C) WAIVER PROGRAM PARTICIPANTS IN 2020



Most participants in section 1915(c) waiver programs were dually eligible for Medicare and Medicaid, whereas a much smaller proportion of those not enrolled in a waiver program were dually eligible for both programs. As part of the Patient Protection and Affordable Care Act, states are required to renew a section 1915(c) waiver program after five years if it enrolls dually eligible individuals, but states must renew a section 1915(c) waiver program that does not serve dually eligible individuals after only three years.

SOURCES: 2020 T-MSIS Analytic Files Annual Demographic and Eligibility File and Waiver Supplemental File, Release 1.

NOTES: This figure excludes Medicaid enrollees from five states due to TAF data quality concerns: Missouri, North Carolina, New Jersey, Tennessee, and Washington. Among the remaining states and territories, this figure includes all Medicaid enrollees, including those with limited benefits and those who were dually eligible for Medicare. It does not include M-CHIP and S-CHIP because enrollees receiving coverage through CHIP are not eligible to participate in section 1915(c) waiver programs. The non-section 1915(c) waiver program population may include enrollees who participated in other HCBS authorities such as 1915(i), 1915(j), and 1915(k) state plan options.

Number of section 1915(c) waiver program participants by age, rural residency, eligibility category, dual eligibility status, and race and ethnicity in 2020

The data in these tables are available for download at data.medicaid.gov. Updated counts that reflect data from later years will be released as they become available at data.medicaid.gov. The counts of enrollees shown in parentheses next to the table rows represent the total number of individuals who were enrolled or were not enrolled in a waiver program. The counts in the tables may not sum exactly to the total row counts due to rounding.

Table 1. Section 1915(c) waiver program participation by age, rural residency, eligibility category

	Ages 0-18	Ages 19-44	Ages 45-64	Ages 65 and older	Urban	Rural	Missing or unassigned	Medicaid children	Pregnancy	Non-expansion adult	Disability	Older adult (65+)	Expansion adult	Unknown eligibility
Enrolled in waiver program (1.7M)	0.2M	0.4M	0.4M	0.7M	1.3M	0.3M	0.04M	0.04M	0.0001M	0.01M	0.9M	0.7M	0.03M	0.03M
Not enrolled in waiver program (77.5M)	29.2M	27.0M	13.6M	7.6M	62.9M	12.5M	2.2M	28.4M	1.4M	12.2M	7.8M	7.3M	19.2M	1.1M

Table 1 (cont.). By dual eligibility status

	Dually eligible	Not dually eligible
Enrolled in waiver program (1.7M)	1.1M	0.6M
Not enrolled in waiver program (77.5M)	10.7M	66.8M

Table 2. Section 1915(c) waiver program participation by race and ethnicity

	White, non-Hispanic	Hispanic	Black, non-Hispanic	API, non-Hispanic	AI/AN, non-Hispanic	Multiracial, non-Hispanic
Enrolled in waiver program (1.7M)	1.0M	0.2M	0.4M	0.1M	0.01M	0.01M
Not enrolled in waiver program (77.5M)	32.3M	22.4M	16.4M	4.3M	1.1M	1.0M

API = Asian/Pacific Islander; AI/AN = American Indian and Alaska Native

SOURCES: 2020 T-MSIS Analytic Files Annual Demographic and Eligibility File and Waiver Supplemental File, Release 1 and 2020 Race/Ethnicity Imputation (REI) Companion File.

NOTES: Tables 1 and 2 exclude Medicaid enrollees from five states due to TAF data quality concerns: Missouri, North Carolina, New Jersey, Tennessee, and Washington. Table 2 also excludes the U.S. Virgin Islands because data from that territory are not included in the 2020 REI Companion File. Among the remaining states and territories, these tables include all Medicaid enrollees, including those with limited benefits and those who were dually eligible for Medicare. They do not include M-CHIP and S-CHIP because enrollees receiving coverage through CHIP are not eligible to participate in section 1915(c) waiver programs. The non-section 1915(c) waiver program population may include enrollees who participated in other HCBS authorities such as 1915(i), 1915(j), and 1915(k) state plan options.