



December 9, 2024

Rebecca de Camara  
State Medicaid Director  
Department of Public Health and Human Services  
111 North Sanders, Room 301  
Helena, MT 59601

Dear Director de Camara:

The Centers for Medicare & Medicaid Services (CMS) is approving Montana's request to amend its section 1115(a) demonstration entitled, "Montana Healing and Ending Addiction through Recovery and Treatment (HEART)" (Project Number 11-W-00395/8) (the "demonstration"), which is effective from the date of approval and will remain in effect through the demonstration approval period, which is set to expire June 30, 2027. Approval of this demonstration amendment will provide waiver authority for a limited reason.

**Pre-Release Services under the Reentry Demonstration Initiative**

Expenditure authority was approved for Montana to provide limited coverage for a targeted set of services furnished to certain incarcerated individuals immediately prior to the individual's expected date of release. The state's proposed approach was approved on February 26, 2024.

*Eligible Juveniles and this Section 1115 Reentry Demonstration Initiative*

Section 5121 of the Consolidated Appropriations Act, 2023 (CAA, 2023; P.L. 117-328) amends the Social Security Act (the Act) and describes a mandatory population (eligible juveniles and targeted low-income children) and a set of pre-release and post-release services. Every state is required to submit Medicaid and CHIP State Plan Amendments (SPAs) attesting to meeting the requirements in section 5121 beginning January 1, 2025.<sup>1</sup>

To the extent there is overlap between the services required to be covered under sections 1902(a)(84)(D) of the Act and coverage under this demonstration, we understand that it would be administratively burdensome for states to identify whether each individual service is furnished to a beneficiary under the state plan or demonstration authority. Accordingly, to eliminate unnecessary administrative burden and ease implementation of statutorily required coverage and this demonstration, we are approving waivers of the otherwise mandatory state plan coverage requirements to permit the state instead to cover at least the same services for the same beneficiaries under this demonstration. This approach will ease implementation, administration,

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<sup>1</sup> SHO# 24-004, RE: Provision of Medicaid and CHIP Services to Incarcerated Youth.  
<https://www.medicaid.gov/federal-policy-guidance/downloads/sho24004.pdf>

and claiming, and provide a more coherent approach to monitoring and evaluation of the state's reentry coverage under the demonstration. The state will provide coverage under the reentry demonstration initiative to eligible juveniles described in section 1902(nn)(2) in alignment with section 1902(a)(84)(D) of the Act, at a level equal to or greater than otherwise would be covered under the state plan. Compliance and state plan submission requirements under section 5121 of the CAA, 2023 will remain unchanged. Coverage of the population and benefits identified in section 1902(a)(84)(D) of the Act, as applicable, will automatically revert to state plan coverage in the event that this demonstration ends or eliminates coverage of beneficiaries or services specified in those provisions.

### *Implementation and Reinvestment Plans*

As described in the demonstration special terms and conditions (STCs), Montana will be required to submit a Reentry Demonstration Initiative Implementation Plan (implementation plan) and Reinvestment Plan. The operational plan requirement in section 1902(a)(84)(D) of the Act is satisfied by the implementation plan only for the population and for the services covered under this demonstration and for which the requirements of section 1902(a)(84)(D) therefore are waived. The state is still required to create an operational plan, provide coverage, and otherwise meet state plan requirements with respect to any population or service specified in section 1902(a)(84)(D) of the Act that is not covered under this demonstration. The reinvestment plan may include services provided to eligible juveniles and targeted low-income children under section 1902(nn)(2) of the Act, who are covered under this demonstration.

### **Budget and Allotment Neutrality**

The state already accounted for the population specified in section 1902(a)(84)(D) in making estimates for the previous action approved in February 2024. There is no budgetary or allotment neutrality impact with this action.

### **Monitoring and Evaluation**

The state is required to include eligible juveniles and targeted low-income children eligible under section 1902(a)(84)(D) of the Act, as applicable, as part of the demonstration monitoring and evaluation activities.

### **Consideration of Public Comments**

Public comments were addressed in the reentry demonstration initiative approval letter on February 26, 2024.

### **Other Information**

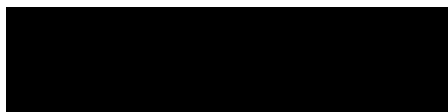
CMS' approval of this amendment is conditioned upon compliance with the enclosed amended set of waiver and expenditure authorities and the STCs defining the nature, character, and extent of anticipated federal involvement in the demonstration. The award is subject to our receiving your acknowledgement of the award and acceptance of these STCs within 30 days of the date of

this letter. Your project officer, Julia Buschmann, is available to answer any questions concerning this amendment, and her contact information is as follows:

Centers for Medicare & Medicaid Services  
Center for Medicaid and CHIP Services  
Mail Stop S2-25-26  
7500 Security Boulevard  
Baltimore, Maryland 21244-1850  
Email: [Julia.Buschmann@cms.hhs.gov](mailto:Julia.Buschmann@cms.hhs.gov)

If you have any questions regarding this approval, please contact Jacey Cooper, Director, State Demonstrations Group, Center for Medicaid and CHIP Services, at (410) 786-9686.

Sincerely,

A solid black rectangular box used to redact the signature of Chiquita Brooks-LaSure.

Chiquita Brooks-LaSure

Enclosure

cc: Barbara Prehmus, State Monitoring Lead, Medicaid and CHIP Operations Group

**Attachment K**  
**Waiver Authority for the Consolidated Appropriations Act, 2023**  
**Demonstration Amendment**

All Medicaid requirements expressed in law, regulation, and policy statement not expressly waived shall apply to the demonstration project through June 30, 2027, unless otherwise specified. In addition, this waiver may only be implemented consistent with the approved special terms and conditions.

**Title XIX Waiver Authority**

**Coverage of Certain Screening, Diagnostic, and Targeted Case Management Services for Eligible Juveniles in the 30 Days Prior to Release Section**

**Section 1902(a)(84)(D)**

To enable the state not to provide coverage of the screening, diagnostic, and targeted case management services identified in section 1902(a)(84)(D) of the Act for eligible juveniles described in section 1902(nn)(2) of the Act as a state plan benefit in the 30 days prior to the release of such eligible juveniles from a public institution, to the extent and for the period that the state instead provides such coverage to such eligible juveniles under the approved expenditure authorities under this demonstration. The state will provide coverage to eligible juveniles described in section 1902(nn)(2) in alignment with section 1902(a)(84)(D) of the Act at a level equal to or greater than would be required under the state plan.