

MassHealth 1115 Demonstration Progress and Updates

April 2026



MassHealth's 2022-2027 1115 Demonstration – Delivery System Progress



MassHealth's current 1115 Demonstration extension



On September 28th, 2022, CMS approved a five-year extension of the MassHealth Section 1115 Demonstration. Since 1997, the 1115 Demonstration has been a critical tool in enabling Massachusetts to achieve and maintain near-universal coverage, sustain the Commonwealth's safety net, expand critical behavioral health services, and implement reforms in the way that care is delivered. The current demonstration is effective October 1, 2022, through December 31, 2027.

MassHealth's 2022-2027 1115 demonstration builds previous demonstrations by continuing to support integrated, outcomes-based care for MassHealth members and bringing a new focus on advancing health equity by closing disparities in quality and access. Goals for this demonstration include:

- 1) Continues the path of restructuring and **reaffirms accountable, value-based care**
- 2) Makes reforms and investments in **primary care, behavioral health and pediatric care**
- 3) **Advances health equity**, with a focus on initiatives addressing health-related social needs and specific disparities
- 4) Sustainably **supports the Commonwealth's safety net**, including level, predictable funding for safety net providers, with a continued linkage to accountable care
- 5) **Maintains near-universal coverage**, making updates to eligibility policies to support coverage and equity

The following slides describe policies authorized through the 2022-2027 1115 Demonstration extension, including approved amendments.

Continuing the path of accountable, value-based care (1 of 2)



The 1115 demonstration provides authority for the ACO program, transition to Health-Related Social Needs Services (HRSN; formerly Flexible Services) and expanded specialized Community Support Programs (CSP).

**Goal 1:
Continue the path of restructuring and reaffirm accountable, value-based care**

- **ACO program** with enhanced expectations is serving ~1.1 million members in 17 ACOs, including every major health system and all FQHCs in Massachusetts.
- ACOs are performing well across all **quality measures**. Several of these measures require high levels of care coordination services among discharging hospitals and ambulatory settings including both primary care and behavioral health.

Measures in Pay-for-Performance (2023)	ACOs Meeting Attainment (2023)
Prenatal Care	17/17
Postpartum Care	17/17
Depression Screen	15/17
Follow Up after ED Visit for Mental Illness	16/17
Follow Up after ED Visit for Alcohol/Other Drug	17/17
Follow Up after Hospitalization for Mental Illness	16/17

- ACOs are also accountable for member experience, and are performing well on the two **member experience** measures: 1) Overall care delivery; and 2) Integration/coordination of care. **All 17 ACOs met attainment thresholds** across all member experience metrics for 2023.

Continuing the path of accountable, value-based care (2 of 2)



The 1115 demonstration provides authority for the ACO program, transition to Health-Related Social Needs Services (HRSN; formerly Flexible Services) and expanded specialized Community Support Programs (CSP).

**Goal 1:
Continue the
path of
restructuring
and reaffirm
accountable,
value-based
care**

- **ACOs coordinated care for members with complex healthcare needs**, including by working closely with Community Partners.
- MassHealth implemented a **new Avoidable Utilization Performance Program (AUPP)** to hold ACOs individually accountable to their performance on Potentially Avoidable Admissions.
- MassHealth **continued to implement lessons learned from successful programs**, including supports for members with disabilities, embedded community health workers, and peers in primary care.
- MassHealth ACOs and Health-Related Social Needs (HRSN) providers launched **HRSN Supplemental Services**, providing nutrition and housing support services to ~22k members in 2025 (expanded from the former Flexible Services pilot program).
- The **Community Support Program (CSP)** continued to provide supports for members in both FFS and managed care with complex needs, including through three specialized CSP programs: **CSP Tenancy Preservation Program (CSP-TPP)**, **CSP for Homeless Individuals (CSP-HI)**, and **CSP for Individuals with Justice Involvement (CSP-JI)**.

Investing in primary care, behavioral health, and pediatric care



The 1115 demonstration authorizes the Primary Care Sub-Capitation program, workforce investments, and continued expansion of behavioral health services

Goal 2: Make reforms and investments in primary care, behavioral health, and pediatric care

- Implemented loan repayment and nurse practitioner fellowship programs to improve **primary care and behavioral health workforce capacity and diversity**.
 - Family Nurse Practitioner Residency Program (\$4.8M) - 16 residency slots awarded to 8 CHCs
 - MassHealth Primary Care and Behavioral Health Student Loan Repayment Programs (\$38.4M) - 369 awardees announced in Spring 2025
 - Psychiatric Mental Health Nurse Practitioner Fellowship: 35 graduate fellows and 11 students over 3 cohorts. 13 graduate fellows have since been hired on full-time.
 - MA Repay: \$136.8M in loan repayment disbursed to 3,807 participants in 2025
- Continued to support **access to behavioral health services**, including **expanding the availability of diversionary behavioral health services** (e.g., Community Support Programs, Structured Outpatient Addiction Program (SOAP)) to members in MassHealth fee-for-service.
 - In 2025, increased rates for SOAP/Enhanced SOAP, and implemented perinatal-specific recovery coaching and recovery support navigation services.
- Via the new **primary care "sub-capitation" payment model, MassHealth has supported enhanced care delivery** expectations (e.g., team-based care, behavioral health integration, specific expectations for members under 21) and more provider flexibility.

* Includes both waiver and non-waiver funded programs



Highlight: Primary Care Sub-capitation

Creating the systems, policies, and technology infrastructure for payment reform to enable long-term care delivery reform, leading to better population-wide outcomes for residents of the Commonwealth over time.



Market-wide participation

~900 practices are participating across MA, serving 92% of eligible members. Every major health system and all Federally Qualified Health Centers (FQHCs) are participating.



Improving care provided at primary care practices

Of practices that continued in the program from 2023 to 2025, 201 practices (20%) increased their Tier designation.



Prospective, reliable capitation payments providers can rely on

Monthly capitation payments from ACOs to practices were over 99.99% accurate and consistent (monthly).



Increasing investment in primary care over time

Between 2023 and 2025, MassHealth has increased overall primary care spend by over \$150 million per year.

Advancing health equity

The 1115 demonstration authorizes significant investments and policies to advance health equity



Goal 3: Advance health equity, with a focus on health-related social needs, maternal health, and justice-involved populations

- The **Quality and Equity Incentives Program (QEIP)** incentivizes **21 managed care entities, 20 community behavioral health centers, and 58 acute care hospitals to reduce disparities in quality and access**, accounting for members' clinical and social risk. The 1115 Demonstration authorizes the Hospital QEIP (HQEIP). **In 2024**,
 - Over half of hospitals exceeded an 80% completeness rate for **self-reported race and ethnicity data**. The average **self-reported written/spoken language** completeness rate was 65%.
 - The average **Health Related Social Needs (HRSN)** screening rate for hospitals was 66%.
 - Through collaboration between hospitals and ACOs, 47 Performance Improvement Projects related to **maternal health** are underway, addressing issues such as maternal hypertension, prenatal anemia, reducing unnecessary C-sections, and postpartum hemorrhage.
 - Screening rates for an **accommodation need related to a disability** for hospitals averaged 47% and most hospitals are documenting accommodation needs.
- MassHealth continues to work closely with justice partners and other stakeholders on planning for implementation of the **Reentry Demonstration** and anticipates launching with certain correctional facilities in 2026
- Launched **Homeless Medical Respite as a new benefit** to support individuals experiencing homelessness transitioning from hospital care, serving more than 100 members in 2025
- As of February 2026, enrolled more than 400 diverse **doula** providers and served more than 4,500 unique pregnant and postpartum members*
- Expanded coverage of perinatal and caregiver depression screening through 12 months postpartum*

*Implemented through non-1115 Waiver authority.

Supporting the safety net

The 1115 demonstration authorizes funding to sustainably support the Commonwealth's safety net providers



**Goal 4:
Sustainably
support the
Commonwealth's
safety net,
including level,
predictable
funding
for safety net
providers, with a
continued
linkage to
accountable care**

- Preserved **long-time funding for the Commonwealth's safety net** (e.g., the Health Safety Net).
- Continuing to implement approved financing to support the Commonwealth's safety net, including:
 - \$1B+ of annual net benefit to all hospitals
 - Hospital incentive payments focused on clinical quality and innovation that prioritize funding for the safety net
 - Safety Net Provider funding that continues to prioritize the highest Medicaid and uninsured providers
 - Funding for uninsured care at hospital and community health centers



Maintaining near-universal coverage

The 1115 demonstration authorizes updates to eligibility policies that will maintain and strengthen near-universal coverage and advance equity

Goal 5: Maintain near-universal coverage including updates to eligibility policies to support coverage and equity

- **Maintained current coverage expansions**, including state insurance subsidies for the Health Connector for individuals with income up to 500%* of FPL (**ConnectorCare** program)
 - Of note, the State [increased investment in the ConnectorCare program by \\$250M](#), significantly limiting ConnectorCare members' premium or out of pocket expenses when enhanced federal credits expired on January 1.
- **Implemented** targeted updates that expand eligibility to maintain near-universal coverage and advance equity, including:
 - **Streamlined access to CommonHealth** to cover all disabled adults under age 65 with sliding scale premiums, without a spend-down, and to cover long-time CommonHealth members over age 65 when they retire
 - **Extend retroactive eligibility to 3 months for all eligible members****
 - **Continuous eligibility for members who are homeless (24 months), or justice-involved (12 months)**
 - **Expanded access to Medicare Savings Programs** for members with MassHealth Standard, consistent with state law expansions

* Changed to individuals with income over 100% and up to 400% as of 1/1/26, due to changes in Federal law.

** Will be reduced to 1 month or 2 months, based on population, as of 1/1/27, due to changes in Federal law

MassHealth also implemented **12-month continuous coverage for children** through non-1115 Waiver authority

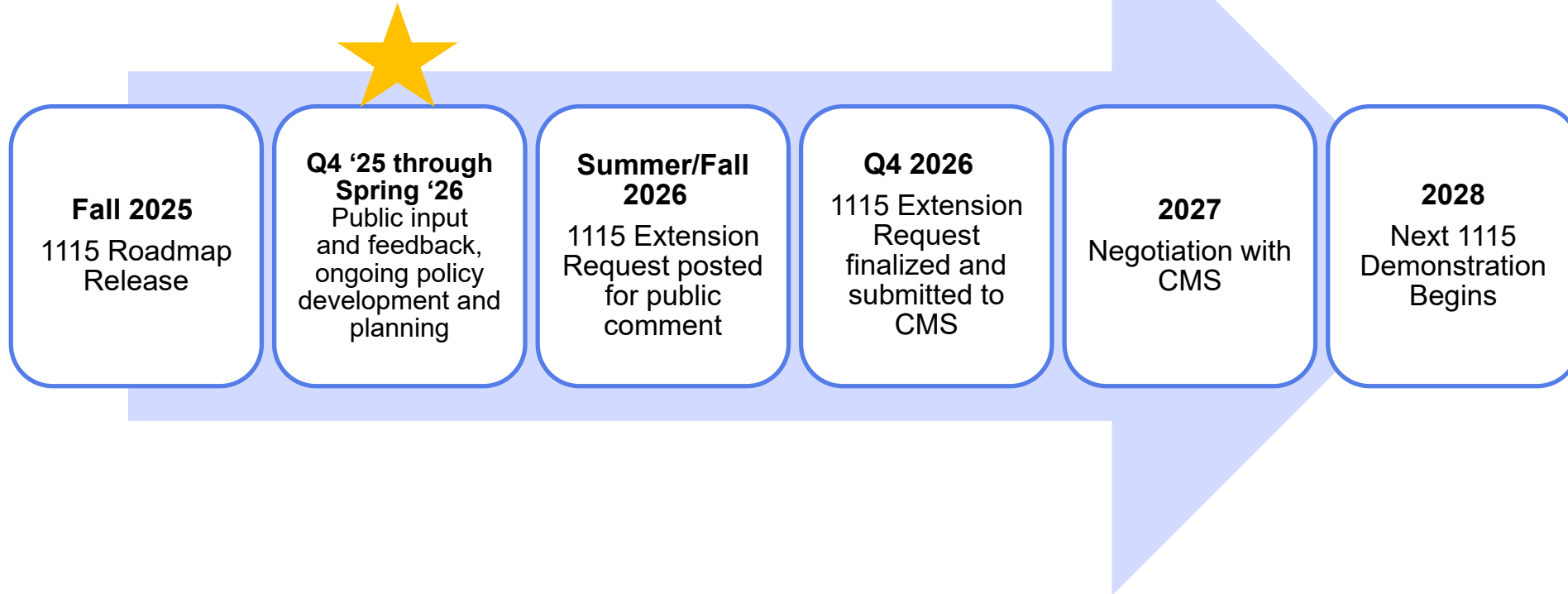
MassHealth is working on implementing federal requirements from the One Big Beautiful Bill Act (OB3). For additional information, please see: [MassHealth Federal Updates and Impact | Mass.gov](#)



MassHealth's 2028-2032 1115 Demonstration – April 2026 Update



Anticipated 2028-2032 1115 Demonstration Extension Development Timeline



- MassHealth plans to submit a request to CMS to extend its 1115 Demonstration Waiver in late-2026.
- MassHealth will provide updates and opportunities for public feedback and input throughout late 2025 and early 2026 as policy planning for 1115 initiatives continues.
- This document includes an update on certain aspects of the anticipated 1115 Demonstration Extension Request – it is not comprehensive, and MassHealth anticipates providing updates on other 1115 initiatives throughout the first half of 2026.
- All policy proposals presented in this document are preliminary, pre-decisional, and subject to change.

MassHealth's draft goals for the 2028-2032 1115 Demonstration build upon successes from its most recent Demonstration, while aligning with current priorities and acknowledging headwinds

Goal 1

Continue to promote value by **improving access, quality, and efficiency**

Goal 2

Strengthen innovative care delivery for primary care, behavioral health, and pediatric care, focusing on prevention, chronic disease management, and shifting the delivery system away from siloed, fee-for-service health care

Goal 3

Support the Commonwealth's safety net, including through ongoing, predictable funding for safety net providers with a continued linkage to accountable care

Goal 4

Maintain near-universal coverage for all eligible Commonwealth residents

MassHealth is sharing additional details regarding a subset of initiatives we anticipate requesting authority for in our next 1115 Demonstration extension request

- 1 **Traditional Healthcare Services**
- 2 **Eligibility**

1 Traditional Healthcare Services

MassHealth anticipates requesting authority to cover traditional healthcare services for American Indian and Alaskan Native (AI/AN) members eligible to receive care at Indian Health Service (IHS) or tribal facilities.

Background

- AI/AN populations generally experience worse health disparities compared with non-AI/AN populations, particularly in terms of diabetes, tobacco use, and cancer. AI/AN populations also face higher rates of mental health disorders, substance use disorder, and suicide. Improving access to culturally appropriate healthcare may address these disparities in chronic conditions for Tribal communities.
- Traditional health care practices, also known as traditional healing or traditional medicine, are a form of culturally centered care that has been shown to improve health and well-being, especially behavioral health and quality of life. Some common forms of traditional health care practices include herbal medicine, sweat lodges, ceremonies, talking circles, and smudging.
- Medicaid has certain unique protections for individuals who are members of federally recognized tribes.
- Massachusetts has two federally recognized tribes and one Urban Indian Organization.

Details

- MassHealth anticipates requesting 1115 expenditure authority to cover traditional healthcare services for AI/AN members eligible to receive care at Indian Health Service (IHS) or tribal facilities and is looking into the feasibility of including care at Urban Indian Organizations in the request.
- All services provided to AI/AN members are eligible for 100% federal financial participation, resulting in zero fiscal impact for the Commonwealth, while enabling IHS facilities to provide these services.
- Arizona, California, New Mexico and Oregon previously received approval to cover traditional healthcare services under their 1115 Demonstrations.

2 Eligibility

MassHealth anticipates requesting continued authority to streamline eligibility and minimize disruption in coverage, while accounting for federal legislation and guidance

Background

- In recent years, MassHealth has contributed to maintaining Massachusetts' uninsurance rate as the lowest in the nation at approximately 3%. Massachusetts remains committed to preserving coverage for all eligible Commonwealth residents.
- MassHealth has continuously worked towards streamlining applicant and member experience by minimizing disruption in coverage and reducing barriers to gaining or maintaining health coverage.
- The current 1115 demonstration further extended authorities to: simplify CommonHealth eligibility requirements for disabled adults; allow for continuous eligibility for individuals leaving correctional settings and for members experiencing homelessness; and extend retroactive eligibility to three months.
- Recent CMS guidance and the implementation of the One Big Beautiful Bill Act (OB3) are expected to affect existing eligibility authorities, requiring MassHealth to modify or discontinue certain demonstration policies.

Details

- MassHealth anticipates requesting authority to:
 - Continue coverage expansion above MassHealth Standard/Care Plus income limits for individuals with breast/cervical cancer, disabilities, and HIV.
 - Continue wrap coverage for insured children under age 18 up to 300% FPL.
 - Maintain premium assistance, Connector subsidies (with income adjustments), and Medicare cost-sharing supports, updating language as needed to align with recent federal guidance.
 - Continue provisional eligibility and streamlined redeterminations.
- Based on CMS guidance, MassHealth will need to discontinue continuous eligibility for members experiencing homelessness and individuals leaving correctional settings.

Opportunities to engage – how you can participate and provide feedback on MassHealth’s next 1115 Demonstration proposal



MassHealth will host virtual meetings on the 1115 Demonstration Extension update on

- Thursday April 16, 2026 from 11AM - 12:30PM
- Wednesday April 29, 2026 from 9:30 - 11AM



For feedback, input, or questions regarding the 1115 Demonstration, and/or for technical assistance for public meetings, please reach out to: 1115WaiverComments@mass.gov

MassHealth looks forward to further engagement and input on the 1115 Demonstration throughout 2026 as we prepare Massachusetts’ proposal to CMS