



Roadmap for MassHealth's 2028-2032 1115 Waiver Demonstration

Executive Office of Health and Human Services

October 2025

Overview

- MassHealth is Massachusetts' combined Medicaid and Children's Health Insurance Program (CHIP). MassHealth provides robust health care coverage for qualifying children, families, seniors, and people with disabilities living in Massachusetts.
- With approval from the Centers for Medicare & Medicaid Services (CMS), Section 1115 Demonstration Waivers ("Demonstrations") allow states flexibility to design and improve their Medicaid and CHIP programs through experimental, pilot, or demonstration projects that promote the objectives of the programs.
- Since 1997, the MassHealth 1115 Demonstration has been a critical tool in enabling Massachusetts to achieve and maintain near-universal health coverage, reform the way that health care is delivered for MassHealth members, expand critical behavioral health services, and support the Commonwealth's safety net health care facilities.
- This Roadmap provides an update on progress from MassHealth's most recent 1115 Demonstrations, and a preview of goals and an anticipated timeline for the next 1115 Demonstration between 2028 – 2032.
- MassHealth is committed to providing continued high-quality care to all MassHealth members and looks forward to working together with partners throughout the Commonwealth to plan the next 1115 Demonstration. The Roadmap provides a preliminary view of what MassHealth is considering – MassHealth will work with CMS and other state and federal partners toward approval of its 1115 Demonstration Extension Request.

MassHealth has made historic progress in implementing payment reform and expanding access to high quality health care through its most recent 1115 Demonstrations

MassHealth's 2017-2022 Demonstration

- Shifted delivery system from fee-for-service to **Accountable Care Organizations (ACOs)**.
- ACOs strengthened member connections to primary care, reduced preventable acute care utilization, and improved clinical quality.
- The ACO program saved money, shifted utilization from high-cost settings to lower cost settings while maintaining high levels of member satisfaction.
- Launched the **Community Partners (CP) Program** to coordinate care for some of the hardest-to-reach members.
- Launched the **Flexible Services Program** to provide housing and nutrition support services which improved health outcomes and reduced health care costs.
- Made **Statewide Investments** in healthcare infrastructure, workforce capacity, and direct technical assistance for delivery system reforms.
- Expanded **substance use disorder services (SUD)**, improving SUD quality of care and outcomes for members with SUD.
- Kept Massachusetts' **uninsurance rate** the lowest in the nation – approximately 3 percent.
- Sustainably **supported safety-net providers** to ensure continued access to care for Medicaid and low-income, uninsured individuals.

MassHealth's 2022-2027 Demonstration

- Refined the ACO program** model and reprocured 17 ACOs.
- Made substantial **investments in primary care** and **shifted payment to prospective capitation** payments from fee-for-service.
- Expanded **continuum of behavioral health care (BH)**, improved access to critical levels of BH care, and improved the BH ED boarding crisis.
- Launched Quality and Equity Incentive Program** to advance health equity and reduce disparities in access and quality outcomes.
- Integrated housing and nutrition support services as part of the core ACO benefit, creating a sustainable path and expanding access to services.
- Leveraged 1115 authority to **expand workforce investments**, totaling >\$300M in the Commonwealth, including loan repayment for primary care and BH providers, residency for nurse practitioners, and more.
- Planning to provide certain **Medicaid services to eligible members with justice involvement** prior to their release from incarceration.
- Sustainably supporting the Commonwealth's safety net and maintaining near-universal coverage** by providing level, predictable funding for safety net providers.

MassHealth is committed to continuing to improve and deliver high-quality health care to all MassHealth members, however the Commonwealth faces new headwinds in the next 1115 Demonstration period

- The federal reconciliation bill that was signed into law on July 4th, 2025, includes significant policy changes to Medicaid and Health Care Marketplaces nationally. These changes, once fully implemented, will result in health care coverage losses for up to 300K residents and potentially up to \$3.5 billion in federal funding for health care annually in Massachusetts.
- Additionally, other federal policy changes will require future 1115 Demonstrations to look different than previous ones. For example, the federal administration has issued guidance rescinding previous Health-Related Social Needs policy,¹ and will no longer be approving Continuous Eligibility authorities² or Workforce Initiatives.³
- Massachusetts is also experiencing significant state budget pressures that will likely continue into coming years. MassHealth accounts for roughly a third of the state budget and will work to identify ways to reduce expenditures while continuing to maintain high-quality care for all MassHealth members.
- MassHealth remains strongly committed to achieving great health outcomes for our members. In developing the next 1115 Demonstration, MassHealth will work with state and federal partners to best address these policy changes and headwinds while continuing to improve health care throughout the Commonwealth.

¹ CMCS Informational Bulletin, March 4, 2025: <https://www.hhs.gov/guidance/sites/default/files/hhs-guidance-documents/AID/cib03042025.pdf>

² CMS Letter, July 17, 2025: <https://www.medicaid.gov/resources-for-states/downloads/contin-elig-ltr-to-states.pdf>

³ CMS Letter, July 17, 2025: <https://www.medicaid.gov/resources-for-states/downloads/workforc-ltr-to-states.pdf>

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

1

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

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

3

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

4

Maintain near-universal coverage for all eligible Commonwealth residents

MassHealth will advance these core goals through continuing and refining key initiatives (1 of 2)

1

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

- Continue refining MassHealth's **value-based ACO program**, maintaining core pillars of accountability for quality, member experience, and total cost of care, while implementing improvements based on lessons learned.
- Maintain requirements for managed care organizations to **coordinate care** for members, including through ACO Care Management and Community Partners programs.
- Continue and refine **risk-adjustment approach** accounting for medical and social needs.

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

- Continue efforts in **primary care payment reform**, strengthening primary care through prospective capitation to support team-based, integrated care.
- Continue and expand **behavioral health and substance use disorder** services, including for inpatient, outpatient, crisis management, and care delivered in settings that qualify as institutions for mental diseases.
- Continue **housing and nutrition supports services** to address members' upstream drivers of health.
- Continue coverage to improve health outcomes for **justice-involved populations** pre/post release from jails and prisons.

MassHealth will advance these core goals through continuing and refining key initiatives (2 of 2)

3

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

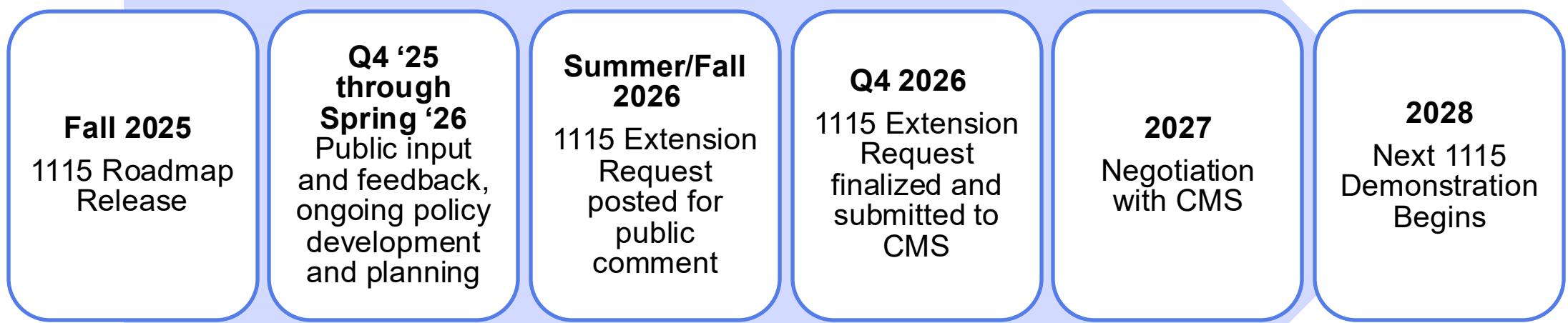
- Maintain **sustainable financing** for the Commonwealth's health care providers through ongoing Safety Net Care Pool authority.
- Continue to **incentivize hospitals and ACOs** to provide excellent, **high-quality care to all members**.

4

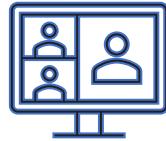
Maintain near-universal coverage for all eligible Commonwealth residents

- Continue **coverage of expansion populations** such as CommonHealth, HIV Family Assistance and Medicare Savings Program eligibility.
- Continue policies to **streamline eligibility processing**, such as hospital presumptive eligibility and provisional eligibility for certain populations
- **Update certain eligibility policies** to align with CMS guidance, such as ending certain continuous eligibility policies.

Anticipated 2028-2032 1115 Demonstration Extension Development Timeline



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



MassHealth will host two virtual public meetings on the 1115 Demonstration Extension this fall:

- Monday, November 10th from 12:30 – 2:00PM
- Monday, November 17th from 2:00 - 3:30PM



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