MEDICAID DIRECTOR LETTER

TO: All Interested Parties

DATE: November 3, 2023

SUBJECT: Stakeholder Input on the Renewal of the Behavioral Health Transformation 1115 Waiver

Purpose
The Department of Health Care Finance (DHCF) is soliciting stakeholder responses on the direction and goals of the 1115 waiver renewal application that will be submitted to CMS no later than July 1, 2024. Responses are due by Monday, November 27th at 5pm.

Background
In November of 2019, the District of Columbia began its journey of Behavioral Health Transformation. Led by the Department of Health Care Finance (DHCF) and its partner, the Department of Behavioral Health (DBH), a multi-year phased approach was established encompassing behavioral health service expansion (Phase I), managed care integration (Phase II), and integrated care payment models (Phase III).

In Phase I, through the Section 1115 Waiver Demonstration, the District enhanced Serious Mental Illness (SMI), Serious Emotional Disturbance (SED), and Substance Use Disorder (SUD) treatment through the introduction of new services, funding extended care in inpatient and residential settings, such as institutions for mental diseases (IMDs), and eliminating co-pays for approved prescription drugs. All waiver services were implemented by October 2020.

Phase II seeks to integrate the continuum of behavioral health services into the managed care program, DC Healthy Families. This effort is often referred to as the “carve-in”. The full integration of the continuum of behavioral health services will be effective April 1, 2024.

Phase III is focused on the integration of services and payment models including value-based care. This phase includes the renewal of the Section 1115 Behavioral Health Transformation waiver. The 1115 waiver renewal will, at a minimum, maintain IMD services, allowing for the continued coverage of needed behavioral health services.

DHCF is also considering adding health-related social need (HRSN) services and an additional focus on our most vulnerable populations (i.e., individuals who are justice-involved, experiencing homelessness or at risk, or have complex care needs, etc.) to the 1115 waiver renewal request. These items are under consideration because they present an opportunity to further enhance DHCF’s capacity to achieve our stated agency mission of improving health outcomes by providing access to comprehensive, cost-effective, and quality healthcare services for residents of the District.
Through this opportunity, the 1115 waiver renewal becomes an opportunity to expand beyond behavioral health to address the whole person.

**Feedback**
DHCF has released the following survey to collect feedback from the stakeholder community on the waiver development priorities. To access the survey, please follow the link below:

https://forms.office.com/g/Ai7UtNdRgh

**Contact**
For questions, please contact DaShawn Groves, Special Projects Officer, Office of the State Medicaid Director at dashawn.groves@dc.gov and dhcf.waiverinitiative@dc.gov.

Sincerely,

Eugene Simms
Interim Senior Deputy Director and Medicaid Director

Cc:  DC Behavioral Health Association  
     DC Coalition of Disability Service Providers  
     DC Health Care Association  
     DC Home Health Association  
     DC Hospital Association  
     DC Primary Care Association  
     Medical Society of the District of Columbia