
FISCAL TOPICS

Fiscal Services Division

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Medicaid HCBS Waivers

The Medicaid Home and Community-Based Services (HCBS) Waivers Program was established by the federal government in 1981 under Section 1915(c) of the Social Security Act. The waivers give states the flexibility to design and implement programs that target certain populations and supplement the traditional Medicaid program. The waivers forgo several key provisions of Medicaid law including:

- The provision that requires Medicaid to be statewide, giving states the flexibility to target the program in an area of the state with the greatest need or where there is a certain type of provider available.
- The provision requiring comparability of services, allowing states to target populations at a greater risk of being institutionalized, without providing specific services to the entire Medicaid population.
- The provision regarding income and resource limits, targeting people who would otherwise be eligible for an institution.

To provide HCBS waiver services, states must apply to the Centers for Medicare and Medicaid Services (CMS) for approval and meet several requirements, including demonstrating that the program is cost-effective, ensuring the well-being of the consumer, providing adequate and reasonable provider standards, and ensuring services are provided in accordance with a plan of care.

Iowa HCBS Waivers

Iowa has seven different HCBS Waivers. For individuals to qualify for the waivers, they may first be eligible for Medicaid and then meet the requirements of the waiver. The seven waivers are:

- **Health and Disability** — Provides services for blind or disabled persons under the age of 65.
- **AIDS/HIV** — Provides services for persons with an AIDS or HIV diagnosis.
- **Elderly** — Provides services for persons 65 years of age or older.
- **Intellectual Disability** — Provides services to persons with a diagnosis of intellectual disability.
- **Brain Injury** — Provides services to persons with a brain injury diagnosis due to accident or illness who are at least one month old, without any maximum age.
- **Physical Disability** — Provides services for persons between the ages of 18 and 65 with a physical disability.
- **Children's Mental Health** — Provides services for children diagnosed with a serious emotional disturbance, defined as a diagnosable, mental, behavioral, or emotional disorder.

The HCBS Waivers provide a variety of services to the individuals they serve. Although the services provided vary by waiver, some of the more common waiver services are:

- Adult Day Care
- Consumer-Directed Attendant Care
- Counseling Services
- Home and Vehicle Modification
- Home-Delivered Meals
- Home Health Aides

More Information

Iowa HCBS Waivers: hhs.iowa.gov/ime/members/medicaid-a-to-z/hcbs/waivers
LSA Staff Contact: Eric Richardson (515.271.6767) eric.richardson@legis.iowa.gov

- Nutritional Counseling
- Personal Emergency Response Systems
- Supported Community Living
- Respite

Budget Impact

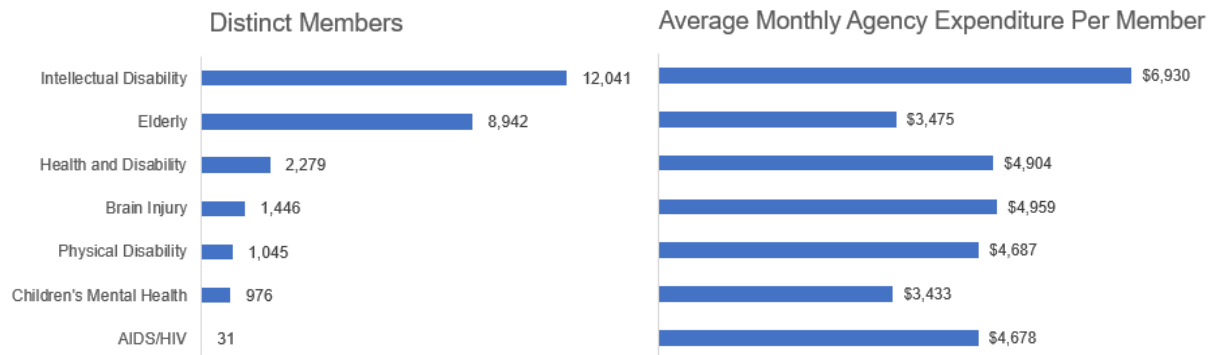
Waiver expenditures totaled \$768.2 million for FY 2022 (**Figure 1**), with approximately \$244.0 million of that being State funds. The largest waiver in terms of both dollars and members (**Figure 2**) is the Intellectual Disability Waiver, serving 12,041 distinct members in FY 2022 at a total cost of \$638.1 million.

**Figure 1
FY 2022 HCBS Waiver Expenditures**

| Waiver | FY 2022 Expenditures |
|---------------------------------|-----------------------|
| AIDS/HIV Waiver | \$ 272,534 |
| Brain Injury Waiver | 37,965,543 |
| Children's Mental Health Waiver | 7,105,189 |
| Elderly Waiver | 59,410,950 |
| Health and Disability Waiver | 21,382,707 |
| Intellectual Disability Waiver | 638,091,796 |
| Physical Disability Waiver | 3,956,422 |
| Total HCBS Waivers | \$ 768,185,141 |

The average monthly expenditures range from a low of \$3,433 for the Brain Injury Waiver to \$6,930 for the Intellectual Disability Waiver. Waiver expenditures vary depending on the intensity and amount of services provided, with higher-needs individuals requiring more services.

**Figure 2
Distinct Members and Average Monthly HCBS Waiver Expenditures Per Member FY 2022**



HCBS Waiver Enrollment and Waitlist

The seven HCBS Waivers had an enrollment of 25,380 people in May 2023 (**Figure 3**). The waiver with the largest enrollment is the Intellectual Disability Waiver, with 12,127 people enrolled and another 1,079 individuals pending approval. The waiver also has the second largest waitlist, with 6,307 individuals waiting to apply for the waiver. There are 19,811 individuals on the waitlist for all waivers, although some individuals may be double-counted because they have applied for multiple waivers. This is an increase of 3.0%, or 585, from the beginning of the calendar year.

Figure 3
HCBS Waiver Enrollment and Waitlist — May 2023

| Waiver | Enrolled | Pending Approval | Waiting List | Application Date for Slot* |
|--------------------------|-----------------|-------------------------|---------------------|-----------------------------------|
| Intellectual Disability | 12,127 | 1,079 | 6,307 | 9/21/2018 |
| Elderly | 7,445 | 2,302 | 0 | N/A |
| Health and Disability | 2,215 | 584 | 7,908 | 3/28/2019 |
| Brain Injury | 1,416 | 219 | 2,950 | 5/4/2017 |
| Children's Mental Health | 1,183 | 609 | 796 | 6/9/2022 |
| Physical Disability | 962 | 680 | 1,850 | 8/17/2021 |
| AIDS/HIV | 32 | 15 | 0 | N/A |
| Total | 25,380 | 5,488 | 19,811 | |

*Date Waiting Applicants Applied for Waiver

The Brain Injury Waiver has the longest waitlist by date of application for the next available slot, with the person in line for the next slot having applied for the waiver May 4, 2017. There are five waivers that have a waiting list with an average wait time of over three years. The Elderly Waiver is the only waiver that does not cap enrollment, and therefore it is the only waiver that has increased consistently on an annual basis.

The cost of opening up enough slots to eliminate the HCBS Waiver waitlists is difficult to estimate due to a number of factors. Individuals who are on the waitlists have not gone through the entire enrollment process to see if the individuals are eligible for the waivers. This is because an individual's circumstances may change between the time they apply for the waiver and when a slot becomes open. In addition, waiting lists may be artificially inflated because individuals sometimes apply for or are eligible for more than one waiver.

Related Statutes and Administrative Rules

Iowa Code chapter [249A](#)
Iowa Administrative Code [441 — 83](#)