
FISCAL TOPICS

Fiscal Services Division

September 7, 2022



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

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 must 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 between the ages of one month and 65 years.
- **Physical Disability** — Provides services for persons with a physical disability between the ages of 18 and 65.
- **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
- Counseling Services
- Consumer-Directed Attendant Care
- Home and Vehicle Modification

More Information

Iowa HCBS Waivers: dhs.iowa.gov/ime/members/medicaid-a-to-z/hcbs/waivers
LSA Staff Contact: Eric Richardson (515.281.6767) eric.richardson@legis.iowa.gov

- Home-Delivered Meals
- Nutritional Counseling
- Personal Emergency Response Systems
- Home Health Aides
- Supported Community Living
- Respite

Budget Impact

Waiver expenditures totaled \$478.4 million for FY 2021 (**Figure 1**), with approximately \$180.0 million of that being State funds. The largest waiver in terms of both dollars and members (**Figure 2**) is the Intellectual Disability Waiver, serving 12,220 distinct members in FY 2021 at a total cost of \$383.5 million.

Figure 1

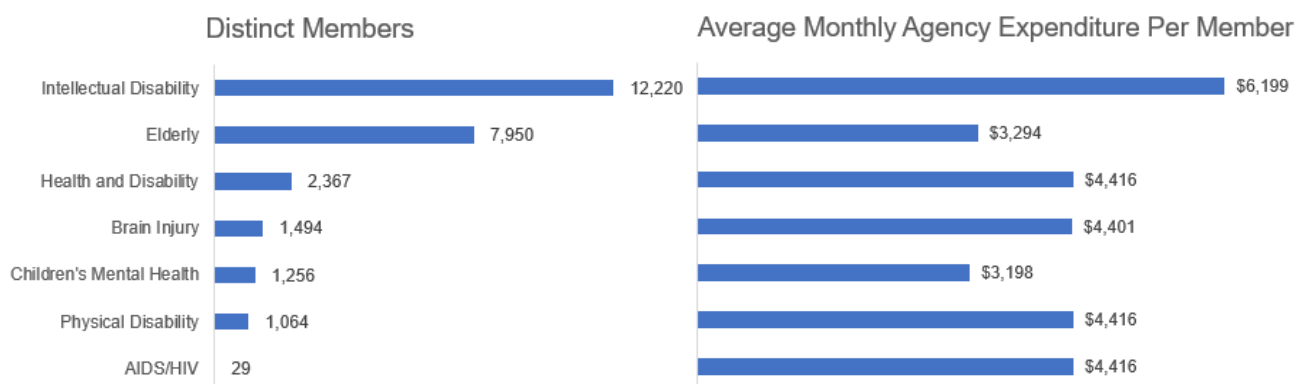
FY 2021 HCBS Waiver Expenditures

Waiver	FY 2021 Expenditures
AIDS/HIV Waiver	\$ 264,730
Brain Injury Waiver	21,444,399
Children's Mental Health Waiver	7,928,592
Elderly Waiver	43,231,677
Health and Disability Waiver	17,730,979
Intellectual Disability Waiver	383,548,928
Physical Disability Waiver	4,257,895
Total HCBS Waivers	\$ 478,407,200

The average monthly expenditures range from a low of \$2,874 for the Brain Injury Waiver to \$7,486 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 2021



HCBS Waiver Enrollment and Waitlist

The seven HCBS Waivers had an enrollment of 25,112 people in July 2022 (**Figure 3**). The waiver with the largest enrollment is the Intellectual Disability Waiver, with 11,848 people enrolled and another 84 individuals pending approval. The waiver also has the second largest waitlist, with 6,342 individuals waiting to apply for the waiver. There are 18,911 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 4.4%, or 794, from the beginning of the calendar year.

Figure 3
HCBS Waiver Enrollment and Waitlist — July 2022

Home and Community-Based Services Waivers July 2022				
Waiver	Enrolled	Pending Approval	Waiting List	Application Date for Slot*
Intellectual Disability	11,848	84	6,342	12/20/2017
Elderly	7,446	607	0	N/A
Health and Disability	2,226	159	7,156	10/19/2018
Brain Injury	1,417	54	2,668	4/3/2017
Children's Mental Health	1,188	172	746	7/4/2021
Physical Disability	957	209	1,999	9/1/2020
AIDS/HIV	30	3	0	N/A
Total	25,112	1,288	18,911	

*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 April 3, 2017. There are five waivers that have a waiting list with an average wait time of 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.

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](#)
[441 IAC 83](#)