



Traditional American Indian Health Care Services

January 20, 2026



National Landscape

- During the previous administration, CMS approved four 1115 demonstration for traditional health care practices:
 - Arizona
 - California
 - New Mexico
 - Oregon
- Two state's have pending requests that CMS has not approved to date:
 - Maine
 - Utah
- North Dakota also submitted a state plan amendment to cover the services under state plan authority.

CMS 1115 Authorizations

- Provides the state Medicaid agencies ability to cover and reimburse medically necessary traditional health care practices.
- Services must be received through IHS or Tribal facilities.
- The traditional health care practices must be provided by practitioners or providers who are employed by or contracted with one of these facilities.
- Each facility is responsible for ensuring the practitioner is qualified to provide traditional health care practices and has appropriate experience and training.

CMS Guidance

- Services are not approvable under a state plan amendment.
 - Services would only be considered as part of a 1115 demonstration.
- CMS does not currently have 1115 waiver demonstrations for traditional healing services as part of its work plan for 2026.
- Effective January 1, 2027, HR1 requires the Chief Actuary of CMS to certify that 1115 demonstrations are budget neutral for the state and federal government.
 - CMS is currently working on developing guidance regarding this, including how this would impact current waivers and waivers approved prior to January 1, 2027.
 - CMS indicated that based on this a waiver application adding new services would likely need to demonstrate cost savings that offset the additional expenditures for the services.

Discussion Questions

- Background Questions
 - What IHS and tribal providers currently offer traditional American Indian health care services?
 - What conditions or diagnoses are the services most commonly used to treat?
 - Are there standard billing codes for the services?
- 1115 Questions
 - Do you anticipate that the services would be budget neutral? For example, the overall PMPM expenditures would be the same or lower with coverage?
 - What health outcome hypotheses would you propose to test/evaluate an 1115 waiver on?



Thank You