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# A New Federal Era for Medicaid Demonstrations: State Waivers to Watch in 2026 and 2027

## Vital Signs: 50-State Tracking

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### Key Takeaways

- Section 1115 demonstration authority is a major Medicaid financing and innovation tool: [46 states and the District of Columbia](#) operate at least one demonstration, and roughly [half](#) of all Medicaid spending is authorized under Section 1115 authority—enabling states to test coverage and delivery system reforms, tailor their programs to state priorities and reinvest savings into Medicaid improvements.
- The second Trump administration is reshaping federal Section 1115 policy in ways that, taken together, discourage states from pursuing demonstrations and reduce the federal funding available to support them, including by discontinuing support for initiatives approved under prior administrations (such as continuous eligibility, workforce initiatives and Designated State Health Program (DSHP) and Designated State Investment Program (DSIP) financing) and rescinding the framework for health-related social needs (HRSN) services.
- Most significantly, CMS’s June 2026 guidance fundamentally shifts how it assesses “budget neutrality,” its method for ensuring that a demonstration does not increase federal Medicaid spending. Building on H.R. 1, which codified the budget neutrality requirement and newly requires CMS Chief Actuary certification, the guidance requires more expansive cost analysis earlier in the process and applies more stringent standards, with a proposed rule expected later this year.
- Taken together, CMS’s budget neutrality and related demonstration policies are likely to narrow the approval pathway for Section 1115 initiatives generally, and particularly HRSN services, delivery system reform and provider incentive programs, and uncompensated care pool financing.
- 2026 and 2027 will be a critical period: 16 states have waivers expiring in 2026 and 11 in 2027, alongside pending new applications. Upcoming CMS decisions will provide the clearest indication of how far the administration will go to limit Section 1115 demonstration authority.

This report, a product of *Manatt Health's Vital Signs: 50-State Tracking*, examines how the second Trump administration is reshaping Section 1115 demonstration authority, summarizes recent CMS budget neutrality and related policy actions, and provides a survey of state waiver renewals and new requests of interest to watch through 2026 and 2027.

## Why Section 1115 Authority Matters

Section 1115 authority is a major financing and innovation tool for state Medicaid programs. States use Section 1115 demonstrations to test innovative strategies and tailor their Medicaid programs to their state-specific environments. **Nearly all states**—46 states and the District of Columbia—have at least one approved Section 1115 demonstration, and approximately **half** of all Medicaid spending is authorized under Section 1115 authority. Although **most** of these initiatives could have been implemented without a Section 1115 demonstration, using this authority has historically allowed states more flexibility and the ability to generate “savings” in instances where actual spending under the Section 1115 demonstration is below projections—thus saving state and federal government dollars. These savings can then be reinvested under the Section 1115 demonstration to support new initiatives including coverage expansions and new benefits and services, among others. Under this structure, Section 1115 demonstrations have been one of the only ways states can realize and reinvest savings generated through the efficient and effective administration of their Medicaid programs into Medicaid program improvements.

### What Are Section 1115 Demonstrations?

Under Section 1115 of the Social Security Act, states can waive certain provisions of Medicaid law and obtain federal approval to fund initiatives not otherwise coverable by Medicaid. Section 1115 demonstrations allow states to advance state policy priorities and test innovative policies in Medicaid. Demonstrations must “promote the objectives of the Medicaid program” and be budget neutral to the federal government, meaning cost no more than what would have been spent on the state’s Medicaid program without the demonstration. The United States Department of Health and Human Services (HHS) has discretion to approve Section 1115 demonstrations, and each administration develops its own waiver policies and priorities.

Section 1115 demonstrations come with strong oversight and monitoring requirements. States must submit detailed programmatic and financial reports and conduct robust independent evaluations of demonstration initiatives to ensure program impact.

# Growing Constraints on State Section 1115 Demonstration Flexibility

The second Trump administration is revamping federal Section 1115 policy in ways that, taken together, discourage states from pursuing demonstrations and reduce the federal funding available to support them. Through a series of guidance documents, CMS has narrowed the range of initiatives it will support, signaled that it will subject demonstration proposals to heightened scrutiny, and is steering states to rely on Section 1115 authority only where no alternative Medicaid pathway exists.

First, the administration has issued guidance discontinuing federal policy support for several initiatives approved under prior administrations—including continuous eligibility, workforce initiatives, and DSHP and DSIP financing mechanisms—and has rescinded the framework for coverage of HRSN services, defined as services to “address an individual’s unmet, adverse social conditions that contribute to poor health.” These actions signal that CMS will not renew these initiatives or, in the case of HRSN services, will subject states proposing them to considerable negotiation and scrutiny. The practical effect is to foreclose or constrain some of the highest-profile uses of Section 1115 authority and to withdraw the federal financial support that made many of these state initiatives viable.

Most recently, and most significantly, CMS released new guidance in June 2026 that fundamentally shifts federal “budget neutrality” policy, the method by which CMS ensures that a demonstration does not increase federal Medicaid spending. This is the most consequential Section 1115 guidance the administration has issued to date. H.R. 1 codified CMS’ longstanding requirement that Section 1115 demonstrations be budget neutral to the federal government and newly requires the CMS Chief Actuary to certify budget neutrality for new requests and renewals, giving the Chief Actuary a central role in demonstration approvals. The June 2026 guidance interprets these requirements and establishes new policy that significantly changes how CMS assesses budget neutrality—requiring states to provide more expansive cost impact analysis and implementation detail earlier in the process, applying more stringent standards when evaluating that information, and reducing state flexibility to secure new demonstrations. The guidance also encourages states to reduce their reliance on Section 1115 authority where alternative Medicaid authorities are available and will likely narrow the approval pathway for initiatives such as health-related social needs, delivery system reform and provider incentive programs, and uncompensated care pools. CMS intends to issue a proposed rule later this year to codify these policies in regulation.

### How Have States Used Section 1115 Demonstrations?

Over time, states have used Section 1115 demonstrations to test a wide range of innovative coverage and delivery system reforms that further the objectives of the Medicaid program. Recent initiatives intended to improve care and outcomes for Medicaid members have included:

- Caregiver supports;
- Pre-release services for justice-involved individuals to support reentry into the community;
- Coverage of culturally appropriate care for Tribal populations;
- Financing pools to support hospitals with uncompensated care costs; and
- Waivers of the Institution for Mental Diseases (IMD) exclusion to expand states' ability to address substance use disorders (SUD) and serious mental illness (SMI).

## States to Watch: The 2026–2027 Demonstration Pipeline

The next major test of the second Trump administration's Section 1115 policy direction will come through the 2026 and 2027 demonstration renewal and approval pipeline, which is substantial: 16 states have waivers expiring in 2026 and 11 states have waivers expiring in 2027, alongside a number of pending new applications. Many of these requests involve policy areas that could be directly affected by CMS's new budget neutrality guidance and related limits on demonstration flexibility. To date, the administration has approved only a limited number of Section 1115 initiatives, focused primarily on continuing waivers of the IMD exclusion for SUD treatment and other longstanding initiatives. And for demonstrations already scheduled to expire in 2025 or 2026, CMS has more often relied on temporary extensions, ranging from three to 15 months, to continue negotiations rather than issue final renewal decisions.

While several states are seeking renewals for their waivers of the IMD exclusion for SUD treatment by September 2026, the real test cases for CMS policy will come at the end of the year when 13 states have waivers expiring. Pending renewal requests from these states will test the administration's approach to several policy areas. Key issues to watch include:

- Justice-involved reentry services;
- HRSN services;
- Contingency management for substance use disorders;
- Uncompensated care pools and incentive payment programs;
- Tribal health care services; and
- Other delivery system and financing initiatives.

How CMS handles these requests will offer an early indication of whether the administration will approve, narrow, defer or condition renewal of initiatives prioritized under prior administrations.

## Section 1115 Demonstration Initiatives Under Scrutiny

The passage of H.R. 1 and recent federal guidance indicate the Trump Administration will likely not consider several policies that were a primary focus under the Biden Administration, including:

- **HRSN:** In March 2025, the Trump Administration [rescinded](#) the Biden Administration’s two HRSN Centers for Medicaid and CHIP Services Informational Bulletins (CIBs) issued in [November 2023](#) and [December 2024](#), which provided a detailed framework of allowable services to address Medicaid enrollees’ HRSNs.
- **DSHP and DSIP Financing:** In April 2025, CMS issued a [State Medicaid Director Letter](#) (SMDL) indicating that it “does not anticipate” approving new requests for DSHP financing or renewing states’ DSHP authorities at the end of their demonstration period.
- **Workforce Initiatives:** In July 2025, the Trump Administration issued a [letter](#) stating that CMS does not anticipate approving new or extending existing 1115 waivers for workforce initiatives, such as student loan repayment and workforce training programs to recruit and retain health care providers.
- **Continuous Eligibility (CE).** In July 2025, the Trump Administration issued a [letter](#) stating that CMS does not anticipate approving new or extending existing 1115 waiver expenditure authority for continuous eligibility beyond what is required or available under the Medicaid or CHIP statutes (e.g., 12-months CE for children under Section 5112 of the Consolidated Appropriations Act, 2023 and post-partum extended Medicaid coverage via Medicaid State Plan).

## Key Findings: Tracking the 2026–2027 Demonstration Pipeline

Manatt’s review of the 2026–2027 pipeline indicates that states with pending or forthcoming requests are likely to face heightened scrutiny, more expansive cost and implementation documentation and more limited flexibility than in prior renewal cycles—particularly for initiatives tied to health-related social needs, delivery system reform and provider incentive programs, and uncompensated care pool financing. Tracking these CMS decisions as they unfold will help states, providers, and other stakeholders understand the evolving boundaries of what the administration is willing to approve and plan accordingly.

Manatt Health compiled this analysis using publicly available state and federal Section 1115 waiver documents—including demonstration applications, renewal requests, and CMS approval and temporary extension letters—to identify the states and initiatives in the 2026 and 2027 pipeline and their anticipated decision points. We will continue to track and analyze CMS demonstration guidance, as well as renewal and application decisions, as they emerge—surfacing the signals that reveal the administration’s policy direction and how it is applying its new standards in practice.

The tables that follow detail Manatt Health’s 50-State tracking of the demonstration landscape, capturing what the administration has approved to date, which states are in the renewal and application pipeline and the specific initiatives at stake by anticipated decision date:

- **Table 1** summarizes Section 1115 initiatives approved under the second Trump administration.
- **Table 2** identifies 27 states with 31 Section 1115 demonstrations up for renewal in 2026 and 2027.
- **Table 3** highlights key initiative areas and potential decision dates for new and renewal requests.

**Table 1. Section 1115 Approvals Under the Current Trump Administration: 2025–2026 YTD**

| Core Demonstration Initiatives                                                     | New Demonstration Approvals | Renewal Approvals |
|------------------------------------------------------------------------------------|-----------------------------|-------------------|
| SUD IMD waiver                                                                     | AR                          | MN, NE, RI        |
| HCBS                                                                               |                             | RI                |
| Premium assistance                                                                 |                             | RI                |
| Tax Equity and Fiscal Responsibility Act-like/Katie Beckett premium-based coverage |                             | AR                |
| Behavioral health services (crisis, peer supports)                                 |                             | RI                |
| Targeted services for individuals above Medicaid income limits                     |                             | RI                |
| Targeted eligibility expansion for family planning services                        |                             | RI, TX            |
| Targeted eligibility expansion to address public health emergency                  |                             | MI                |
| Coverage for out of state former foster care youth                                 |                             | MO                |
| Continuation/extension of comprehensive managed care authority                     |                             | FL                |

**Table 2. States in Section 1115 Renewal Pipeline for 2026 and 2027**

| Current Waivers Expiring in 2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Current Waivers Expiring in 2027                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>September 2026</b></p> <ul style="list-style-type: none"> <li>Idaho<sup>i</sup></li> <li>Michigan<sup>ii</sup></li> <li>Oregon<sup>iii</sup> (1 of 2)</li> </ul> <p><b>December 2026</b></p> <ul style="list-style-type: none"> <li>Arkansas</li> <li>California</li> <li>Colorado<sup>iv</sup></li> <li>District of Columbia<sup>v</sup></li> <li>Georgia<sup>vi</sup></li> <li>Indiana<sup>vii</sup></li> <li>Illinois<sup>viii</sup></li> <li>Iowa<sup>ix</sup></li> <li>Maine<sup>x</sup></li> <li>Maryland</li> <li>Ohio<sup>xi</sup></li> <li>Oklahoma<sup>xii</sup> (1 of 2)</li> <li>Oklahoma<sup>xiii</sup> (2 of 2)</li> <li>Virginia<sup>xiv</sup></li> </ul> | <p><b>March 2027</b></p> <ul style="list-style-type: none"> <li>Connecticut (1 of 2)</li> <li>New York</li> </ul> <p><b>May 2027</b></p> <ul style="list-style-type: none"> <li>Alabama</li> </ul> <p><b>June 2027</b></p> <ul style="list-style-type: none"> <li>Montana (1 of 2)</li> <li>Utah</li> </ul> <p><b>September 2027</b></p> <ul style="list-style-type: none"> <li>Arizona</li> <li>Oregon (2 of 2)</li> <li>Pennsylvania</li> </ul> <p><b>December 2027</b></p> <ul style="list-style-type: none"> <li>Connecticut (2 of 2)</li> <li>Louisiana</li> <li>Massachusetts</li> <li>Montana (2 of 2)</li> <li>Nevada</li> <li>Vermont</li> </ul> |

i. On 9/25/2025, **Idaho** received a 12-month temporary extension until 9/30/2026; this was the state's second temporary extension.

ii. On 3/13/2026, **Michigan** received a six-month temporary extension until 9/30/2026; this was the state's third temporary extension.

iii. On 3/6/2026, **Oregon** received six-month temporary extension until 9/30/2026.

iv. On 6/30/2026, **Colorado** received a six-month temporary extension until 12/31/2026; this was the state's fourth temporary extension.

v. On 11/17/2025, **District of Columbia** received a 12-month temporary extension until 12/31/2026; this was the state's third temporary extension.

vi. On 9/23/2025, **Georgia** received a 15-month temporary extension until 12/31/2026.

vii. On 11/26/2025, **Indiana** received a 12-month temporary extension until 12/31/2026.

viii. On 11/17/2025, **Illinois** received a 12-month temporary extension until 12/31/2026.

ix. On 11/28/2025, **Iowa** received a 12-month temporary extension until 12/31/2026; this was the state's fifth temporary extension.

x. On 12/19/2025, **Maine** received 12-month temporary extension until 12/31/2026.

xi. On 11/17/2025, **Ohio** received six-month temporary extension until 12/31/2026; this was the state's fourth temporary extension.

xii. On 12/19/2025, **Oklahoma** received a 12-month temporary extension for the Oklahoma Institutions for Mental Disease Waiver for Serious Mental Illness/Substance Use Disorder demonstration until 12/31/2026.

xiii. On 12/15/2025, **Oklahoma** received a 12-month temporary extension for SoonerCare demonstration until 12/31/2026; this was the state's third temporary extension.

xiv. On 11/17/2025, **Virginia** received a 12-month temporary extension until 12/31/2026; this was the state's second temporary extension.

**Table 3. Known Section 1115 Requests/Renewals by Initiative: Now Through 2027**

| Demonstration Initiatives of Interest       | New Requests                                                                                                                                                                 |                                                                                                                                                                                                  | Initiatives Up for Renewal in 2026 or 2027<br><i>(Barring Deferral or Temporary Extension, Decision Expected by)</i>                                                                                                                                                                                                |
|---------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                             | Pending Requests in States With 2026 or 2027 Renewals                                                                                                                        | Other Pending Requests                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                     |
|                                             | <i>(Barring Deferral or Temporary Extension, Decision Expected by)</i>                                                                                                       | <i>(Date Submitted)</i>                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                     |
| Justice                                     |                                                                                                                                                                              |                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                     |
| Justice-involved reentry services           | <b>2026</b> <ul style="list-style-type: none"><li>DC, ME <i>(12/31/2026)</i></li></ul> <b>2027</b> <ul style="list-style-type: none"><li>CT, NY <i>(3/31/2027)</i></li></ul> | <ul style="list-style-type: none"><li>AR <i>(2/21/2024)</i></li><li>MN <i>(1/15/2025)</i></li><li>NV <i>(12/13/2024)</i></li></ul>                                                               | <b>2026</b> <ul style="list-style-type: none"><li>CA, CO, MD <i>(12/31/2026)</i></li></ul> <b>2027</b> <ul style="list-style-type: none"><li>MT, UT <i>(6/30/2027)</i></li><li>AZ, OR <i>(9/30/2027)</i></li><li>MA, VT <i>(12/31/2027)</i></li></ul>                                                               |
| Behavioral Health                           |                                                                                                                                                                              |                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                     |
| SUD IMD waiver                              | <b>2027</b> <ul style="list-style-type: none"><li>AZ <i>(9/30/2027)</i></li></ul>                                                                                            | <ul style="list-style-type: none"><li>AL <i>(7/14/2023)</i></li><li>FL <i>(1/16/2026)</i></li></ul>                                                                                              | <b>2026</b> <ul style="list-style-type: none"><li>ID <i>(9/30/2026)</i></li><li>CA, CO, DC, IN, ME, MD, OH, OK, VA <i>(12/31/2026)</i></li></ul> <b>2027</b> <ul style="list-style-type: none"><li>CT, NY <i>(3/31/2027)</i></li><li>MT, UT <i>(6/30/2027)</i></li><li>LA, MA, NV, VT <i>(12/31/2027)</i></li></ul> |
| SMI/SED IMD waiver                          | <b>2026</b> <ul style="list-style-type: none"><li>ME, VA <i>(12/31/2026)</i></li></ul>                                                                                       | <ul style="list-style-type: none"><li>FL <i>(1/16/2026)</i></li><li>NE <i>(10/1/2025)</i></li><li>TN <i>(10/29/2024)</i></li><li>NV <i>(12/11/2024)</i></li><li>WI <i>(12/16/2024)</i></li></ul> | <b>2026</b> <ul style="list-style-type: none"><li>ID <i>(9/30/2026)</i></li><li>CO, DC, IN, MD, OK <i>(12/31/2026)</i></li></ul> <b>2027</b> <ul style="list-style-type: none"><li>AL <i>(5/19/2027)</i></li><li>UT <i>(6/30/2027)</i></li><li>MA, VT <i>(12/31/2027)</i></li></ul>                                 |
| Contingency management                      | <b>2026</b> <ul style="list-style-type: none"><li>OR <i>(9/30/2026)</i></li><li>ME <i>(12/31/2026)</i></li></ul>                                                             |                                                                                                                                                                                                  | <b>2026</b> <ul style="list-style-type: none"><li>CA <i>(12/31/2026)</i></li></ul> <b>2027</b> <ul style="list-style-type: none"><li>MT <i>(6/30/2027)</i></li></ul>                                                                                                                                                |
| Residential mental health and SUD treatment |                                                                                                                                                                              |                                                                                                                                                                                                  | <b>2027</b> <ul style="list-style-type: none"><li>VT <i>(12/31/2027)</i></li></ul>                                                                                                                                                                                                                                  |

| Demonstration Initiatives of Interest                                              | New Requests                                                                                                                                                                            |                                                                  |                                                                                                                                                                                                                                                 |
|------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                    | Pending Requests in States With 2026 or 2027 Renewals                                                                                                                                   |                                                                  | Initiatives Up for Renewal in 2026 or 2027                                                                                                                                                                                                      |
|                                                                                    | <i>(Barring Deferral or Temporary Extension, Decision Expected by)</i>                                                                                                                  | Other Pending Requests<br><i>(Date Submitted)</i>                | <i>(Barring Deferral or Temporary Extension, Decision Expected by)</i>                                                                                                                                                                          |
| Supported employment for HCBS populations                                          |                                                                                                                                                                                         |                                                                  | <b>2026</b> <ul style="list-style-type: none"> <li>IL, VA (12/31/2027)</li> </ul>                                                                                                                                                               |
| <b>Health-related social needs</b>                                                 |                                                                                                                                                                                         |                                                                  |                                                                                                                                                                                                                                                 |
| Health-related social need services                                                | <b>2026</b> <ul style="list-style-type: none"> <li>DC, ME (12/31/2026)</li> </ul> <b>2027</b> <ul style="list-style-type: none"> <li>CT (3/31/2027)</li> <li>NV (12/31/2027)</li> </ul> | <ul style="list-style-type: none"> <li>NE (10/1/2025)</li> </ul> | <b>2026</b> <ul style="list-style-type: none"> <li>AR, CO (12/31/2026)</li> </ul> <b>2027</b> <ul style="list-style-type: none"> <li>NY (3/31/2027)</li> <li>UT (6/30/2027)</li> <li>AZ, OR (9/30/2027)</li> <li>MA, VT (12/31/2027)</li> </ul> |
| <b>Eligibility</b>                                                                 |                                                                                                                                                                                         |                                                                  |                                                                                                                                                                                                                                                 |
| Continuous eligibility for justice populations/ homelessness/ mental health or SUD |                                                                                                                                                                                         |                                                                  | <b>2026</b> <ul style="list-style-type: none"> <li>CO (12/31/2026)</li> </ul> <b>2027</b> <ul style="list-style-type: none"> <li>UT (6/30/2027)</li> <li>MA (12/31/2027)</li> </ul>                                                             |
| Continuous eligibility for adults                                                  |                                                                                                                                                                                         |                                                                  | <b>2027</b> <ul style="list-style-type: none"> <li>NY (3/31/2027)</li> </ul>                                                                                                                                                                    |
| Continuous eligibility for children                                                |                                                                                                                                                                                         |                                                                  | <b>2026</b> <ul style="list-style-type: none"> <li>CO (12/31/2026)</li> </ul> <b>2027</b> <ul style="list-style-type: none"> <li>NY (3/31/2027)</li> <li>OR (9/30/2027)</li> </ul>                                                              |
| Increase and elimination of the asset test                                         |                                                                                                                                                                                         |                                                                  | <b>2026</b> <ul style="list-style-type: none"> <li>CA (12/31/2026)</li> </ul>                                                                                                                                                                   |

| Demonstration Initiatives of Interest                 | New Requests                                                           |                                                   | Initiatives Up for Renewal in 2026 or 2027<br><i>(Barring Deferral or Temporary Extension, Decision Expected by)</i>                                                                                     |
|-------------------------------------------------------|------------------------------------------------------------------------|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                       | Pending Requests in States With 2026 or 2027 Renewals                  |                                                   |                                                                                                                                                                                                          |
|                                                       | <i>(Barring Deferral or Temporary Extension, Decision Expected by)</i> | Other Pending Requests<br><i>(Date Submitted)</i> |                                                                                                                                                                                                          |
| Services for individuals above Medicaid income limits |                                                                        |                                                   | <b>2027</b> <ul style="list-style-type: none"><li>• MT <i>(6/30/2027)</i></li><li>• OR <i>(9/30/2027)</i></li><li>• VT <i>(12/31/2027)</i></li></ul>                                                     |
| Financing                                             |                                                                        |                                                   |                                                                                                                                                                                                          |
| Uncompensated care pool financing                     |                                                                        |                                                   | <b>2026</b> <ul style="list-style-type: none"><li>• CA <i>(12/31/2026)</i></li></ul> <b>2027</b> <ul style="list-style-type: none"><li>• MA <i>(12/31/2027)</i></li></ul>                                |
| Hospital global budget initiative                     |                                                                        |                                                   | <b>2027</b> <ul style="list-style-type: none"><li>• NY <i>(3/31/2027)</i></li></ul>                                                                                                                      |
| Hospital equity initiative                            |                                                                        |                                                   | <b>2027</b> <ul style="list-style-type: none"><li>• MA <i>(12/31/2027)</i></li></ul>                                                                                                                     |
| Population health payment program                     |                                                                        |                                                   | <b>2026</b> <ul style="list-style-type: none"><li>• MD <i>(12/31/2026)</i></li></ul>                                                                                                                     |
| Global payment                                        |                                                                        |                                                   | <b>2027</b> <ul style="list-style-type: none"><li>• VT <i>(12/31/2027)</i></li></ul>                                                                                                                     |
| Incentive payments                                    |                                                                        |                                                   | <b>2026</b> <ul style="list-style-type: none"><li>• NY <i>(3/31/2026)</i></li></ul> <b>2027</b> <ul style="list-style-type: none"><li>• AZ <i>(9/30/2027)</i></li><li>• MA <i>(12/31/2027)</i></li></ul> |
| Capacity building for community care hubs             |                                                                        |                                                   | <b>2027</b> <ul style="list-style-type: none"><li>• MA <i>(12/31/2027)</i></li></ul>                                                                                                                     |
| Postpartum home-visiting pilot                        |                                                                        |                                                   | <b>2026</b> <ul style="list-style-type: none"><li>• AR, MD <i>(12/31/2026)</i></li></ul>                                                                                                                 |
| Affordability                                         |                                                                        |                                                   |                                                                                                                                                                                                          |
| Marketplace subsidies                                 |                                                                        |                                                   | <b>2027</b> <ul style="list-style-type: none"><li>• CT, MA, VT <i>(12/31/2027)</i></li></ul>                                                                                                             |

| Demonstration Initiatives of Interest                           | New Requests                                                                                                                                                   |                                                                                          |                                                                                                                                                                                    |
|-----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                 | Pending Requests in States With 2026 or 2027 Renewals                                                                                                          |                                                                                          | Initiatives Up for Renewal in 2026 or 2027                                                                                                                                         |
|                                                                 | (Barring Deferral or Temporary Extension, Decision Expected by)                                                                                                | Other Pending Requests (Date Submitted)                                                  |                                                                                                                                                                                    |
| Medicare cost sharing assistance (above FPL limit)              |                                                                                                                                                                |                                                                                          | <b>2027</b> <ul style="list-style-type: none"> <li>MA, VT (12/31/2027)</li> </ul>                                                                                                  |
| <b>Tribal</b>                                                   |                                                                                                                                                                |                                                                                          |                                                                                                                                                                                    |
| Tribal health care practices                                    | <b>2026</b> <ul style="list-style-type: none"> <li>ME (12/31/2026)</li> </ul> <b>2027</b> <ul style="list-style-type: none"> <li>UT (6/30/2027)</li> </ul>     |                                                                                          | <b>2026</b> <ul style="list-style-type: none"> <li>CA (12/31/2026)</li> </ul> <b>2027</b> <ul style="list-style-type: none"> <li>AZ, OR (9/30/2027)</li> </ul>                     |
| <b>HCBS or LTSS</b>                                             |                                                                                                                                                                |                                                                                          |                                                                                                                                                                                    |
| Caregiver supports                                              |                                                                                                                                                                |                                                                                          | <b>2027</b> <ul style="list-style-type: none"> <li>OR (9/30/2027)</li> </ul>                                                                                                       |
| Providing HCBS to avoid nursing home use                        | <b>2026</b> <ul style="list-style-type: none"> <li>CA (12/31/2026)</li> </ul>                                                                                  |                                                                                          | <b>2027</b> <ul style="list-style-type: none"> <li>OR (9/30/2027)</li> <li>VT (12/31/2027)</li> </ul>                                                                              |
| Duals aligned enrollment                                        |                                                                                                                                                                |                                                                                          | <b>2026</b> <ul style="list-style-type: none"> <li>CA (12/31/2026)</li> </ul> <b>2027</b> <ul style="list-style-type: none"> <li>NY (3/31/2027)</li> <li>AZ (9/30/2027)</li> </ul> |
| <b>Workforce</b>                                                |                                                                                                                                                                |                                                                                          |                                                                                                                                                                                    |
| Workforce                                                       |                                                                                                                                                                |                                                                                          | <b>2027</b> <ul style="list-style-type: none"> <li>NY (3/31/2027)</li> <li>MA, VT (12/31/2027)</li> </ul>                                                                          |
| <b>Work Requirements</b>                                        |                                                                                                                                                                |                                                                                          |                                                                                                                                                                                    |
| Work requirements                                               | <b>2026</b> <ul style="list-style-type: none"> <li>AR, IA (12/31/2026)</li> </ul> <b>2027</b> <ul style="list-style-type: none"> <li>AZ (9/30/2027)</li> </ul> | <ul style="list-style-type: none"> <li>OH (2/28/2025)</li> <li>SC (6/23/2025)</li> </ul> | <b>2026</b> <ul style="list-style-type: none"> <li>GA (12/31/2026)</li> </ul>                                                                                                      |
| Employment supports for new adults subject to work requirements | <b>2026</b> <ul style="list-style-type: none"> <li>AR, CA (12/31/2026)</li> </ul>                                                                              |                                                                                          |                                                                                                                                                                                    |

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## About Vital Signs 50-State Tracking

H.R. 1 and other federal actions are driving historic health care cuts. Manatt Health is tracking state responses and analyzing the effects on coverage, affordability, and system stability. Vital Signs helps stakeholders understand near- and long-term impacts to inform policy, accountability, and collaboration.

## About Manatt Health

Manatt Health integrates legal and consulting services to better meet the complex needs of clients across the health care system.

Combining legal excellence, firsthand experience in shaping public policy, sophisticated strategy insight and deep analytic capabilities, we provide uniquely valuable professional services to the full range of health industry players.

Our diverse team of more than 200 attorneys and consultants from Manatt, Phelps & Phillips, LLP, and its consulting subsidiary, Manatt Health Strategies, LLC, is passionate about helping our clients advance their business interests, fulfill their missions and lead health care into the future. For more information, visit <https://www.manatt.com/Health> or contact:

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