

MEDICAID HEALTH HOME PROGRAMS

MARCH 2025

The Medicaid Health Home State Plan Option, authorized by the Affordable Care Act in 2011, gives states the ability to create health home programs that provide comprehensive care coordination for Medicaid beneficiaries.¹ A Medicaid state plan is a written agreement between a state and the federal government setting forth how the state will administer its Medicaid program.² A state may opt to amend its state plan to create a health home program through a state plan amendment (SPA) application. When making the SPA application, states must select one or more of the following options for beneficiaries to be eligible to receive health home services – the beneficiary must have either: (1) two or more chronic conditions; (2) one chronic condition and be at risk for a second; or (3) a serious and persistent mental health condition. If a state chooses either of the “chronic conditions” options, it must then delineate the conditions that make an individual eligible for services (*e.g.*, heart disease, asthma, or substance use disorder (SUD)).

Health home programs are required to “integrate and coordinate all primary, acute, behavioral health and long term services and supports” to treat the patient across his or her lifespan.³ The health home state plan option gives states eight quarters of 90 percent of enhanced federal matching funds for services rendered to patients with chronic conditions.⁴ States are eligible for an additional two quarters of enhanced funding for health homes focused on patients with SUD. Health home services must include all six of the following components:

- (1) Comprehensive case management;
- (2) Care coordination;
- (3) Health promotion;
- (4) Comprehensive transitional care/follow-up;
- (5) Patient and family support; and
- (6) Referral to community and social support services.

Comprehensive case management includes services like conducting an assessment of the participant’s physical and mental health, SUD, and social service needs; obtaining records from the individual’s primary care physician and other medical and behavioral health providers; developing a care plan; and monitoring and reassessment throughout the individual’s participation.⁵ **Care coordination and health promotion** include providing access to healthcare services, mental health and SUD services, and long-term care support and services. They also include tasks like appointment scheduling, referrals and follow-up monitoring, and communication with other providers and supports. Additionally, services under the care coordination and health promotion components include assisting participants with implementing their care plans, including through health education specific to the participant’s condition.

Comprehensive transitional care/follow-up includes services such as streamlining the participant’s plan of care, reducing hospital admissions, helping participants transition to long-term services, and ensuring timely and proper follow-up care. **Patient and family support** services include advocating for participants and their families; supporting participants in obtaining and adhering to medications and other treatments; accessing community services, social support services, recovery services, and transportation to medically necessary services; facilitating

¹ “Health Home Information Resource Center,” Medicaid.gov, accessed Feb. 19, 2025, [Health Home Information Resource Center | Medicaid](#).

² “Medicaid State Plan Amendments,” Medicaid.gov, accessed Feb. 20, 2025, [Medicaid State Plan Amendments | Medicaid.gov](#).

³ *Id.*

⁴ Lisa Clemans-Cope and Eva H. Allen, “Medicaid’s Health Homes Program: A Powerful Way for States to Address the Opioid Crisis,” Urban Institute, Oct. 11, 2017, [Medicaid’s health homes program: A powerful way for states to address the opioid crisis | Urban Institute](#).

⁵ *See, e.g.*, MD. CODE REGS. 10.09.33.06 (2024).

participation in the revision of the participants' care plan; and utilizing peer supports, support groups, and self-care programs. Finally, **referral to community and social support services** includes assistance in accessing and coordinating things like disability benefits, housing, peer support, and legal services.

Medicaid beneficiaries enrolled in the health home program must have access to all of the services provided by the health home, but states may use multiple providers for different services. Services can be provided by: (1) an individual, designated provider which may be a physician, group practice, health clinic, or a community mental health center; (2) a team of health professionals which may include a physician, nurse care coordinator, behavioral health professional, and social worker; or (3) a health team which must include a range of providers including, but not limited to, medical specialists, nurses, physicians' assistants, behavioral health providers, which includes substance use disorder prevention and treatment providers, and licensed complementary and alternative medicine practitioners. Participants must continue to receive all other Medicaid benefits to which they are entitled and must be free to select an approved health home provider or providers.

In addition to any other requirements for state plans, as a condition for receiving payment, health home providers are required to report quality measures to the state. States with SUD-focused health homes that have received the additional two quarters of matching funds must submit a report to the secretary of the U.S. Department of Health and Human Services that includes the quality of health care provided to individuals with SUD, with a focus on outcomes relevant to their recovery; the access of such individuals to health care; and the total expenditures of such individuals for health care.⁶

As of December 2024, 19 states have active health home programs. Seven of those states (Maine, Maryland, Michigan, North Carolina, Rhode Island, Vermont, and Wisconsin) have health home programs specifically for the treatment of SUD.⁷ An additional eight states (Iowa, Kansas, Missouri, New Mexico, New York, South Dakota, Tennessee, and Washington) and the District of Columbia include SUD in the list of chronic conditions eligible for health home services. However, in the District of Columbia, Medicaid beneficiaries must have three, rather than two, or more chronic conditions, one of which can be SUD, to be eligible for services. Additionally, the SPA for Tennessee's program includes SUD in the list of chronic conditions with the caveat that the individual must have a diagnosis of SUD and have one or more inpatient behavioral health-related admissions, crisis stabilization unit admissions (for adults), emergency department admissions (for individuals 18 and younger), or residential treatment facility admissions in the three months prior to applying for health home services.

Generally, in addition to the supplemental reporting requirements mentioned above, SUD-focused health homes differ from health homes focused on treating other chronic conditions, serious mental illness, or serious emotional disability only in the types of providers authorized to provide health home services and the types of services provided (*e.g.*, medication for opioid use disorder, peer support services, and group support meetings).

CONCLUSION

Medicaid health homes are designed to assist Medicaid beneficiaries in obtaining comprehensive care for chronic conditions, including SUD. In order to receive health home benefits, states must file an SPA with Medicaid and obtain approval, but fewer than half of the states in the U.S. have done so.

RESOURCES

"Health Home Information Resource Center," Medicaid.gov, accessed Feb. 19, 2025, [Health Home Information Resource Center | Medicaid](#).

⁶ "Compilation of the Social Security Laws," Social Security Administration, accessed Feb. 20, 2025, [Social Security Act §1945](#).

⁷ "Medicaid Health Homes: State Plan Amendment Overview," Medicaid.gov, last updated Dec. 2024, [Medicaid Health Homes: State Plan Amendment Overview](#).

“Medicaid State Plan Amendments,” Medicaid.gov, accessed Feb. 20, 2025, [Medicaid State Plan Amendments | Medicaid.gov](#).

Lisa Clemans-Cope and Eva H. Allen, “Medicaid’s Health Homes Program: A Powerful Way for States to Address the Opioid Crisis,” Urban Institute, Oct. 11, 2017, [Medicaid’s health homes program: A powerful way for states to address the opioid crisis | Urban Institute](#).

“Compilation of the Social Security Laws,” Social Security Administration, accessed Feb. 20, 2025, [Social Security Act §1945](#).

“Medicaid Health Homes: State Plan Amendment Overview,” Medicaid.gov, last updated Dec. 2024, [Medicaid Health Homes: State Plan Amendment Overview](#).

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