

# Snapshot of Section 1115 Health-Related Social Need (HRSN) Demonstration

## Authority

### What are HRSNs?

The Centers for Medicare and Medicaid Services (CMS) defines HRSNs as, “...an individual’s unmet, adverse conditions that contribute to poor health outcomes.” “HRSNs” is the term utilized by CMS to refer to what are commonly called “social determinants of health (SDOH).” HRSN is specific to an individual’s specific circumstances whereas SDOH are factors that impact community or population health.

### What is Section 1115 HRSN Demonstration Authority?

Section 1115 HRSN demonstration authority gives states the authority to “test” and receive federal Medicaid matching dollars for pilot initiatives that would not be otherwise permissible in accordance with federal Medicaid requirements. To be approved by CMS, a state’s section 1115 HRSN demonstration proposal must be likely to promote the objectives of the Medicaid program and improve health equity in the state. There is no exhaustive list of the types of interventions that can be approved using section 1115 HRSN authority. Instead, CMS has indicated that states should review the approval notices issued by CMS to the first four states with approved section 1115 HRSN demonstrations to gain an understanding of the rationale used by CMS to approve HRSN interventions. The first four states to obtain approval for section 1115 HRSN demonstrations are: [Arizona](#), [Arkansas](#), [Massachusetts](#), and [Oregon](#). Broadly, section 1115 HRSN demonstrations must:

- Address social factors that impact health (e.g., lack of safe and stable housing, lack of adequate resources to provide sufficient nutrition, etc.)
- Include case management services to other behavioral and physical health needs
- Individually assess each Medicaid beneficiary to meet the clinical standards established for the specific intervention

### How are section 1115 HRSN

### Demonstrations financed?

To be approved, a state’s section 1115 HRSN demonstration must be budget neutral to federal Medicaid. CMS established a “hypothetical” budget neutrality approach for section 1115 HRSN

Nutrition Interventions	Housing Interventions	Other HRSN Flexibilities
<ul style="list-style-type: none"><li>• Tailored meals to address individual health risk, nutrition-sensitive health conditions (e.g., poorly controlled diabetes, high-risk pregnancy).</li><li>• States may include HCBS waiver populations for expanded nutritional supports in 1115 demonstrations, based on risk factors and subject to clinical appropriateness. These services would be limited (typically to no more than 6 months).</li><li>• Nutrition counseling and education, including on healthy meal preparation</li><li>• Up to 3 meals a day delivered in the home or private residence</li><li>• Medically-tailored meals, up to 3 meals a day delivered in the home or private residence, for up to 6 months</li><li>• Meals or pantry stocking for children under 21 and pregnant individuals, up to 3 meals a day delivered in the home or private residence, for up to 6 months</li><li>• Fruit and vegetable prescriptions, for up to 6 months</li></ul>	<ul style="list-style-type: none"><li>• Rent/temporary housing for up to 6 months, for individuals transitioning out of institutional care or congregate settings such as nursing facilities, Institutions for Mental Diseases (IMDs), correctional facilities, and hospitals.</li><li>• Housing deposits, including application and inspection fees and fees to secure needed identification.</li><li>• Pre-tenancy and tenancy sustaining services, including tenant rights education and eviction prevention.</li><li>• One-time transition and moving costs (e.g., security deposit, first-month’s rent, utilities activation fees and payments in arrears, movers, relocation expenses, pest eradication, pantry stocking, and the purchase of household goods and furniture).</li><li>• Housing transition navigation services.</li><li>• Medically necessary home modifications and remediation services (e.g., accessibility ramps, handrails, grab bars, repairing or improving ventilation systems, and mold/pest remediation).</li><li>• Medically necessary air conditioners, humidifiers, air filtration devices and asthma remediation, and refrigeration units as needed for medical treatment.</li></ul>	<ul style="list-style-type: none"><li>• Non-emergency transportation to HRSN services but only if state has budget neutrality savings to offset costs.</li><li>• Designated State Health Programs (DSHP) authority is reprised but only if state has budget neutrality savings to offset cost of “buying-out” state funded program.</li></ul>
<b>Case management</b> , outreach, and education including linkages to other state and federal benefit programs, benefit program application assistance, and benefit program application fees <b>MUST</b> be an accompanying HRSN-related service.		

demonstrations (hyperlinked above). Hypothetical budget neutrality means the state does not have to show savings to offset the proposed interventions to be tested. Some HRSN interventions are approved only if the state has already established budget neutrality “savings” to pay for the HRSN service (e.g., non-emergency medical transportation). **\*NOTE – Just because an HRSN intervention was approved for one state, it does not guarantee that Minnesota would have the same intervention approved.**

### Administrative/Infrastructure Support Available

The section 1115 HRSN demonstration initiative authorizes federal funding for administrative costs associated with infrastructure investments to support the development and implementation of HRSN services. This represents a significant opportunity to states because these funds may be eligible for enhanced federal match rates (e.g. 90/10 or 75/25). Additionally, these funds are not included in budget neutrality.

### Housing Interventions

- Payment of rent for up to six months for people who are: transitioning out of jails, juvenile detention centers, or prisons; homeless or at-risk of homelessness; or transitioning out of child welfare services including foster care
- Utility costs including activation expenses to secure utilities
- Pre-tenancy and tenancy sustaining services
  - Housing transition navigation services
  - One-time transition and moving costs (e.g., deposit, first month rent, movers, remediation/adaptations, pest eradication, pantry stocking, purchase of household furniture)
  - Housing deposits, fees related to applications and tenant screenings, including personal identification
  - Medically necessary air conditioning, heaters, humidifiers, air filtration, generators, refrigeration units
  - Home modifications needed for accessibility such as ramps, grab bars, etc.

### Nutrition Interventions

- Nutrition counseling and education including healthy meal preparation
- Medically tailored meals, up to 3 meals per day, delivered to home or other private residence for up to six months.
- Meals or pantry stocking for children under 21, Youth with Special Health Care Needs, and pregnant people
- Fruit and vegetable prescriptions

### Case Management Services

- Education and outreach
- Conflict-free individual needs assessment
- Person-centered planning
- Referrals and linkages to other state benefit programs
- Assistance with application for benefit programs
- Monitoring and adjustment of plan as person’s needs and priorities change

### Administrative/Infrastructure Supports

#### Technology

- Electronic referral systems
- Shared data platforms
- Electronic Health Record modifications and integration
- Case management systems including screening tools
- Databases, data warehouses, analytics, reporting, and data protection and privacy
- Accounting and billing

#### Business and Operational Policy, Practices and Procurement

- Development of policies, workflows, and practice standards
- Quality improvement
- Workforce development (training & education costs)
- Outreach, education, Stakeholder Convening costs