



Traditional Health Care Practices (THCP) 1115 Waiver

Background and History

For several years, Tribes and urban Indian health programs (UIHP) have advocated for Washington State to seek Medicaid reimbursement for traditional health care practice (THCP) services. The Centers for Medicare and Medicaid Services (CMS) has already approved THCP demonstration Medicaid waivers in four other states.

In 2025, the State of Washington committed to submitting a THCP waiver to CMS through [ESSB 5167](#), in which the Health Care Authority (HCA) received \$165,000 “to apply for a section 1115 waiver no later than December 31, 2025, to provide coverage of traditional health care practices.”¹ In the following year, HCA held several workgroups, roundtables, and consultations with Tribes and UIHPs to develop the THCP waiver application. While there was disagreement about the financing of THCP services provided to non-American Indian/Alaska Native (AI/AN) Medicaid beneficiaries, the majority of Tribes wanted the waiver submitted.

Proposed Tribal Reimbursement Rates for Traditional Health Care Practices

On September 24, 2026, Governor Ferguson submitted the [THCP waiver application](#) requesting CMS to allow for Medicaid reimbursement of THCP services. According to the [THCP waiver application](#), “For IHS and Tribal facilities, HCA anticipates using the IHS All Inclusive Rate. [UIHPs] will be paid a fee schedule rate.”

Financing of Traditional Health Care Practices Provided to Non-AI/AN Medicaid Beneficiaries

During the THCP waiver application development, Governor' Ferguson's office shared with the Tribes that the waiver would not be submitted until the Tribes agreed to finance Washington State's share of Medicaid costs for THCPs claims billed for non-AI/AN patients. This Tribal financing would occur under a federal mechanism referred to as “certified public expenditures.”² The [THCP waiver application](#) noted that HCA “proposed the option for Tribes to attest to the Certified Public Expenditure for the local share with continual negotiation opportunities.”

Next Steps

If CMS approves the THCP waiver, the Governor's Office and HCA should consult with Tribes throughout the entire implementation process. Meaningful consultation will help ensure maximum availability of THCP services and that AI/AN have “access to care that reflects their culture, values, and ways of healing.”³

¹ESSB 5167, 69th Leg., Reg. Sess. § 211(56) (Wash. 2025).

² 42 CFR § 433.51.

³ [THCP waiver application](#), p. 1.