July 2026

Mino Bimaadiziwin-Wičhózani (Mino)
Section 1115 Demonstration Waiver Request Summary

Waiver Request Summary

This summary includes general information from the state's Mino demonstration waiver application. It is not the complete application. The full waiver application is available on the Minnesota Department of Human Services' Medicaid waiver webpage and will be submitted to the Centers for Medicare & Medicaid Services (CMS). CMS issues an approval document describing the implementation requirements if the waiver is approved.

Background

The Minnesota Department of Human Services (Department), in collaboration with American Indian Tribes located in the state, seeks to improve the health outcomes of American Indians by covering Traditional Healing[1] under Medical Assistance, Minnesota's Medicaid program. The 2025 Minnesota Legislature[2] directed the Department to submit a Medicaid demonstration waiver application under section 1115 of the Social Security Act to cover Traditional Healing services.

The Department convened a workgroup of Tribal representatives in September 2025 to provide feedback about the waiver application, including general design and implementation considerations. The waiver title, Mino Bimaadiziwin-Wičhózani (Mino) generally translated means wellness and good health in the Ojibwe (Chippewa) and Dakota (Sioux) languages, respectively; pronounced Me-NO b-MAAZ-da-win -- wee-cho-zah-nee. The Department plans to submit a five-year demonstration waiver request to CMS in August 2026.

American Indian is used throughout the demonstration waiver application to refer to all Indigenous people in Minnesota, including American Indian and Alaska Natives. There is not a federally recognized Alaska Native

[1] Traditional Healing, for purposes of this waiver, is synonymous with traditional health care practices, traditional Indian medicine, and other labels used to describes holistic practices that are deeply rooted in indigenous traditional knowledge and sustained through ongoing cultural tradition.

[2] H.F. 1878, HF 2 Introduction - 94th Legislature, 2025 1st Special Session, Article 8, Sec. 39, page 288.

nation in Minnesota, but Alaska Natives who meets the eligibility criteria provided in the waiver may receive Traditional Healing services.

Overview

The Mino demonstration waiver would cover Traditional Healing services for eligible American Indians who receive services in authorized settings. Covering this service option furthers the objectives of the Medicaid program (Title XIX) by supporting more appropriate and effective care for American Indian enrollees, which will improve enrollees' overall health and well-being.

The Department undertook a large-scale analysis of the factors contributing to the state's poor health outcomes for Minnesota's American Indian population. The resulting comprehensive report, Pathways to Racial Equity in Medicaid: Improving the Health and Opportunity of American Indians in Minnesota, was published in 2024.[3] The report analyzed data, gathered information from people directly affected, and partnered with members of American Indian communities to summarize action steps. The primary recommendation was to seek Medicaid funding for Traditional Healing.

The report found that over half of American Indian Medical Assistance enrollees identified that traditional healing practices were "important to their health" and wanted to participate in traditional healing practices more. The report acknowledged that "Traditional Healing practices may be a powerful set of tools to support the health of these members." The report also identified barriers to accessing Traditional Healing, including not having enough healers available and a lack of funds to provide adequate compensation for healers. Providing coverage through this demonstration waiver would begin to address those barriers to care.

Tribal Nations in Minnesota

Minnesota shares geographic borders with eleven (11) federally recognized American Indian Tribes (Tribes). There are seven Ojibwe (Chippewa) reservations and four Dakota (Sioux) communities. While the Tribes collaborate on issues of mutual interest, each operates independently as a separate and sovereign Nation having a government-to-government relationship with the United States. In addition to the Tribal Nations, Minnesota has a large urban Indian population.

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[3] Chomilo, N., Grauman, L., Nelson, J., Koehler, M., Corona, D., Villarreal, L, (2024). *Pathways to Racial Equity in Medicaid: Improving the Health and Opportunity of American Indians in Minnesota.* Minnesota Department of Human Services. Publication DHS-8209C-ENG 12-24 or http://edocs.dhs.state.mn.us/lfserver/Public/DHS-8209C-ENG

The seven Ojibwe reservations are:

- Gichi-Onigaming/Grand Portage Band of Lake Superior Chippewa
- Zagaakwaandagowininiwag/Bois Forte Band of Chippewa
- Miskwaagamiiwi-Zaagaiganing/Red Lake Nation
- Gaa-waabaabiganikaag/White Earth Nation
- Gaa-zagaskwaajimekaag/Leech Lake Band of Ojibwe
- Nah-gah-chi-wa-nong/Fond du Lac Band of Lake Superior Chippewa
- Misi-zaaga'iganiing/Mille Lacs Band of Ojibwe

The four Dakota communities are:

- Mdewakanton/Shakopee Mdewakanton Sioux Community
- Tinta Wita/Prairie Island Indian Community
- Cansa'yapi/Lower Sioux Indian Community
- Pezihutazizi Oyate/Upper Sioux Community

Objectives

The objective for the Mino demonstration waiver is to expand culturally appropriate Medical Assistance service options for American Indians by covering Traditional Healing. The long-term benefits of this service are to improve the health and well-being of American Indians living in Minnesota. This objective aligns with CMS' goals for section 1115 demonstrations covering Traditional Healing Services.

In a December 2024 webinar, CMS stated the goals of Traditional Healing Section 1115 demonstrations are to "ensure that we have wide use of traditional health care practices across tribal nations and over generations, and that those can be incorporated into how we close disparities or gaps in disparities in our Medicaid program for American Indians and Alaska Natives."[4]

Service Need

Historically, and similar to the experience in other states, American Indians in Minnesota have experienced significant disparities in access to health care services and have poorer health outcomes compared to other populations, particularly compared to their White counterparts. No substantial improvement has been realized despite various policy and program initiatives. There is a growing body of evidence demonstrating the benefits of

[4] CMS slide deck "All Tribes Webinar – Traditional Health Care Practices & Section 1115 Demonstrations" Oct. 31, 2024.

Traditional Healing to the health and well-being of American Indians and Alaskan Natives, including refences in the Indian Health Care Improvement Act about the benefits of traditional health care practices.

Further, CMS provided information about the importance of Traditional Healing practices to improving the health and well-being of American Indians and Alaska Natives. CMS shared information about the benefits of Traditional Healing during a webinar held in October 2024,[5] including comments about:

- Existing wide use of traditional health care practices across Tribal Nations and over generations.
- Recognizing and supporting the knowledge of Indigenous people to improve access to health services.
- Acknowledging significantly worse health disparities experienced by American Indians and Alaska Natives and how culturally competent care could aid in addressing disparities.

Under the Mino waiver, Traditional Healing will be available as a service option for eligible American Indians who receive services in authorized settings as described below and who are enrolled in Medical Assistance.

Delivery system and services

Settings, Providers, and Qualifications

Traditional Healing covered under the demonstration waiver may only be provided through IHS, 638,[6] and Urban Indian Organization (UIO)[7] facilities located in Minnesota and enrolled as a Minnesota Health Care Program provider. Individuals providing the Traditional Healing service must be employed or under contract with the enrolled facility. Each Tribe and the UIO will establish provider standards and criteria to evaluate whether an individual is qualified to provide the service, respective to their facility(ies) and their cultural practices. Facilities are responsible to maintain documentation to support payment claims.

Traditional healers (practitioners) are not required to enroll individually as a Minnesota Medicaid Provider. This is to honor and preserve the confidential nature and cultural integrity of the practice(s). The Traditional Healing service may be provided at locations outside of the facilities. This is necessary due to the nature of some practices (e.g., a sweat lodge).

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[5] CMS slide deck "All Tribes Webinar – Traditional Health Care Practices & Section 1115 Demonstrations" Oct. 31, 2024.

[6] Authorized under the Indian Self-Determination and Education Assistance Act (ISDEAA) of 1975; Public Law 93-638.

[7] The Indian Health Board located in Minneapolis (Minnesota's largest city) is the only UIO that currently meets the conditions to provided services under the waiver. It is also a Federally Qualified Heath Center as designated by the U.S. Health Resources and Services Administration (HRSA).

Practices Covered

Eligible enrollees who elect Traditional Healing services will receive culturally relevant healing practices that promote health and well-being and are specific to the enrollee's presenting need(s). Examples of Traditional Healing practices include, but are not limited to Sweat Lodges, Talking Circles, and Smudging Ceremonies. The types of established and accepted Traditional Healing services and availability of practitioners varies among Tribes and the UIO. For this reason, each facility will identify the Traditional Healing services offered and will establish processes to assure Medicaid medical necessity requirements are met.

Implementation

Tribes in Minnesota are anxious to proceed with offering the service and the Department will support expedient implementation. State law directs Traditional Healing services to be available effective January 1, 2027, or upon federal approval, whichever is later. Updates to applicable Department manuals and training materials will be available prior to the service being covered and the Department will work with Tribal representatives to identify methods of notifying eligible enrollees of the service option. Additionally, information about the waiver and coverage will also be posted on the Departments' website following waiver approval.

Beneficiaries and eligibility

The Traditional Healing services will be available to Medical Assistance enrollees who meet U.S. Department of Health and Human Services, Indian Health Service's (IHS) definition of American Indian as provided in the IHS Indian Health Manual, Chapter 1, Eligibility for Services, section 2-1.2.[8] The waiver does not alter Medical Assistance eligibility nor does it modify or expand eligibility groups. Enrollees' use of Traditional Healing benefits does not limit access nor reduce coverage for other Medical Assistance services for which they may be eligible.

Claiming and cost-sharing

Fee-for-service claims will be submitted by IHS, 638, and UIO facilities in the Minnesota Medicaid Management Information System (MMIS) and will include an ICD-10 Diagnostic Code and a code for the Traditional Healing service. Services provided by these facilities are carved out of the state's managed care coverage (i.e., not included in the state's capitation payments). Payment for Traditional Healing is limited to one encounter per day, per enrollee.

[8] U.S. Department of Health and Human Services, Indian Health Service, Indian Health Manual, Chapter 1 Eligibility for Services, section 2-1.2.

In accordance with federal law, American Indians are exempt from cost sharing for services covered through this waiver.

Projected Enrollment and Budget Neutrality

The waiver includes one Medicaid Expenditure Group (MEG) and applies hypothetical budget neutrality. Tribal representatives expect significant interest from eligible enrollees to receive and from Tribal facilities to offer Traditional Healing services. The enrollment and budget neutrality projections considered that information along with available Medicaid data for the Tribal facilities and UIO and phase-in experience for other new Medicaid services, to arrive at the budget neutrality assumptions. Refer to the Budget Neutrality workbook on the Department's Medicaid waiver web page for additional information about projected enrollment and costs.

Service Participation Assumptions

There are approximately 38,000 enrolled Tribal members living in the geographical regions near IHS and 638 facilities. The annual proportion of the 38,000 Tribal members expected to receive Traditional Healing services from IHS and 638 clinics is phased-in over five years, reaching 10% in waiver year five.

A separate projection is made for Traditional Healing services expected to be provided by the UIO, Indian Health Board in Minneapolis and is projected to account for a 10% increase (added to the projections for the IHS and 638 facilities). This a based on a rough approximation of the ratio of the numbers of recipients served annually by the UIO compared to the number served by the IHS and 638 facilities.

Phase-in Assumptions

The enrollment and budget neutrality projections have a rapid phase-in to 60% in waiver year two based on the assumption that major parts of the IHS and 638 facility system are already providing some Traditional Healing services and need only to meet the waiver requirements, such as those related to provider qualifications, documentation, and billing. After waiver year two, a gradual increase in service offerings is assumed through waiver year five.

Service Utilization Assumptions

For IHS and 638 facilities and the UIO, use of the service is projected at an average of five Traditional Healing services per month for enrollees accessing the service. This compares to an average of three services per month for recipients of conventional biomedical treatment provided through IHS and 638 facilities and just over three

services per month (3.3) for the UIO. This allows for the fact that Traditional Healing often involves more frequent sessions (e.g., weekly or bi-weekly) for shorter periods.

[illegible]

The 2026 All-Inclusive Rate (AIR) amount of $826 was used as the base and trended at 6.60% for each waiver year. IHS sets and publishes the AIR amounts annually. The trend rate was calculated using the AIR history from 2022 to 2026.

The following Table provides a summary of the projected enrollment and estimated expenditures for the five-year waiver demonstration period; waiver years one through five (WY1-WY5).

Enrollment and Per Member Per Month (PMPM) Summary					
Waiver Year (WY):	**WY1**	**WY2**	**WY3**	**WY4**	**WY5**
Average monthly recipients / enrollees	488	975	1,219	1,463	1,626
Recipient / enrollee months	5,852	11,704	14,631	17,557	19,507
PMPM Expenditures	$4,547.87	$4,848.02	$5,167.99	$5,509.08	$5,872.68
Total Expenditures	$26,615,068	$56,743,326	$75,610,482	$96,720,928	$114,560,566

Financing / Federal Matching Rate

The Department will claim federal financial participation (FFP) for Traditional Healing provided to eligible enrollees when it is provided through an eligible facility. The matching rate will be the state's approved Federal Medical Assistance Percentage (FMAP) that would otherwise apply to the claim pursuant to section 1905(b) of the Social Security Act.

Federal and State Share of Costs					
State Fiscal Year (FY):	**FY 2028**	**FY 2029**	**FY 2030**	**FY 2031**	**FY 3032**
Federal Share	$25,308,511	$53,957,745	$71,898,695	$91,972,810	$108,936,684
State Share	$1,306,558	$2,785,581	$3,711,787	$4,748,118	$5,623,882
Total Expenditures	$26,615,068	$56,743,326	$75,610,482	$96,720,928	$114,560,566

Hypothesis and evaluation plan

The state's hypothesis is that American Indian Medical Assistance enrollees will have increased access to Traditional Healing services. The Department plans to measure access through MMIS service utilization data.

The Department will contract with an independent evaluator and work with the contractor to develop a plan to evaluate the hypothesis. The evaluation will include validated performance measures that assess the impact of the waiver on access to services and will consider feedback from the Tribal workgroup (described earlier). The Department will submit the evaluation plan to CMS for approval in accordance with CMS' Special Terms and Conditions and will conduct and submit ongoing monitoring reports as required by CMS.

Waiver and expenditure authorities

The waiver application requests the following Medicaid requirements to be waived.

Title XIX Requirements Waived	
Section 1902(a)(1) • Statewideness Section 1902(a)(23) • Comparability Section 1902(a)(10)(B) • Freedom of Choice	To the extent necessary to allow Medical Assistance coverage of Traditional Healing only when provided through IHS, 638, and UIO facilities identified in the waiver, and only to individuals eligible to receive Medical Assistance services by or through those facilities.
Expenditure Authorities	
Traditional Healing Practices	Expenditures for Traditional Healing received through IHS, 638, and UIO facilities operated by Tribes or Tribal organizations under the Indian Self Determination and Education Assistance Act or UIOs with contracts under Title V of the Indian Health Care Improvement Act by Medicaid beneficiaries who are able to receive services delivered by or through these facilities.

Tribal Consultation

In addition to the on-going feedback provided by the Tribal workgroup, the Department has regular meetings with Tribal leaders. The Tribal and Urban Health Director's meetings are held quarterly with leadership from the Department and the Minnesota Department of Health. Topics of interest or concern to the Tribes are covered during the meetings. The Department provided status updates about the Traditional Healing waiver during the last several meetings: August 21, 2025; November 20, 2025; February 26, 2026; and June 11, 2026.

Additionally, once the draft waiver application is posted publicly, the Department sends a letter to Tribal Chairs, Tribal Health Directors, Tribal Social Services Directors, the Indian Health Service Area Office Director and the Director of the UIO (Minneapolis Indian Health Board clinic) informing them of the state's intent to submit the waiver application to cover Traditional Healing under Medical Assistance. The letter invites comment and feedback on the waiver application. Comments will be accepted from Tribes until 5:00 p.m. on Thursday, August 20, 2026.

Public comment period and Hearings

The Department invites public feedback on the demonstration waiver application during a 30-day public comment period from July 13, 2026, to August 11, 2026, and hearings will be held on July 21 and 22, 2026. The Department will consider all comments and may revise the application based on feedback.

The waiver application and attachments are available on the Department's Federal Medicaid Waiver webpage: Federal health care waivers with public hearings and comments / Minnesota Department of Human Services. Information about how to submit written comments or participate in a public hearing are also provided on the Department's Federal Medicaid Waiver webpage: Federal health care waivers with public hearings and comments / Minnesota Department of Human Services. The deadline for written public comment is 5:00 p.m. on Friday, August 11, 2026.

The final waiver application will be posted on the Department's webpage when it is submitted to the Center for Medicare & Medicaid Services and will include comments received during the public comment period.

Waiver Administration

The demonstration waiver will be managed by the Minnesota Department of Human Services which is also the State Medicaid Agency. The contact is: Meg Barry, Medicaid Waiver Manager, Federal Relations, Minnesota Department of Human Services.