
Health Care & Wellness Committee

HB 2555

Brief Description: Concerning medicaid coverage for traditional health care practices.

Sponsors: Representatives Lekanoff, Callan, Santos, Ryu, Davis, Parshley, Ramel, Doglio, Stearns, Obras, Macri, Pollet and Zahn.

Brief Summary of Bill

- Directs the Health Care Authority to apply for a federal waiver to provide coverage under Medicaid for traditional health care practices received through Indian Health Service facilities or facilities operated by tribes or tribal organizations.

Hearing Date: 2/3/26

Staff: Chris Blake (786-7392).

Background:

The Health Care Authority provides medical care services to eligible low-income state residents and their families, primarily through the Medicaid program. Medicaid is a federal-state partnership with programs established in the federal Social Security Act and implemented at the state level with federal matching funds. Federal law provides a framework for medical coverage of children, pregnant women, parents, elderly and disabled adults, and other adults with varying income requirements.

Under Medicaid, the federal government matches state expenditures on behalf of American Indians and Alaska Natives at 100 percent of the Federal Medical Assistance Percentage for covered services received through an Indian Health Services (IHS) or a tribal health care facility. The facilities are eligible to receive a federally-determined IHS encounter rate for the

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delivery of Medicaid services to eligible members of federally recognized tribes.

In October 2024 the federal Centers for Medicare and Medicaid Services (CMS) approved traditional health care practices demonstration waivers in four states. The CMS has established criteria for the review of other state requests to cover these services which includes guidance related to eligible beneficiaries, covered practices, and covered providers and practitioners of these services. The 2025-27 Operating Budget directed the Health Care Authority, in consultation with the tribes, to apply for a waiver to provide coverage of traditional health care practices by December 31, 2025. During the fall of 2025, the Health Care Authority collected public comments and prepared a draft application.

Summary of Bill:

By July 1, 2026, the Health Care Authority must apply to the federal Centers for Medicare and Medicaid Services for a waiver to allow for the coverage of traditional health care practices. The coverage applies to traditional health care practices received through Indian Health Service facilities or facilities operated by tribes or urban Indian organizations. The coverage is available to Medicaid beneficiaries who are able to receive services delivered by or through these facilities.

"Traditional health care practices" are defined as the sum total of the knowledge, skill, and practices based on the theories, beliefs, and experiences indigenous to different cultures, whether explicable or not, used in the maintenance of health as well as in the prevention, diagnosis, improvement, or treatment of physical and mental illness.

Appropriation: None.

Fiscal Note: Requested on February 2, 2026.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.