DEPARTMENT OF HEALTH & HUMAN SERVICES

Health Care Financing Administration

Region III
P O Box 7760, 3535 Market St
Philadelphia, PA 19101

T-19

April 3, 1991

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HCFA REGIONAL MEDICAID LETTER NO. 07-91

SUBJECT: Early Periodic Screening, Diagnosis, and Treatment, Section 6403 of OBRA 1989

The purpose of this letter is to reiterate current Health Care Financing Administration (HCFA) policy with respect to State requirements for furnishing services under the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) program. Section 6403 of the Omnibus Budget Reconciliation Act (OBRA) of 1989 added Section 1905(r) to the Social Security Act to include under the EPSDT program such other necessary health care, diagnostic services, treatment, and other measures described in Section 1905(a) of the Act to correct or ameliorate defects and physical and mental illnesses and conditions discovered by the screening services, whether or not such services are covered under the State plan. Several States have questioned whether Section 6403 of OBRA 1989 would permit States to exclude treatment of pre-existing conditions identified during a screen, based on a strict interpretation of "discovered."

HCFA's position is that any health care services specified under Section 1905(a) of the Act which are required to treat a condition detected as a result of a periodic or interperiodic screen must be provided whether or not such services are covered under a State plan. States are not permitted to exclude follow-up services for conditions which existed prior to the time of the EPSDT screening service. We consider any encounter with a health care professional practicing within the scope of State law as an interperiodic screen, as discussed below.

Under Section 51223 of the State Medicaid Manual (Transmittal No. 3), States are required to cover services "to correct or ameliorate defects, and physical and mental illnesses and conditions discovered by the screening services," and Section 5122F provides that "the services must be necessary...to correct or ameliorate defects and physical or mental illnesses or conditions. ..and the defects, illnesses and conditions must have been discovered or shown to have increased in severity by the screening services."

Section 5140.B of the State Medicaid Manual offers further guidance with respect to entitlement to expanded EPSDT services as a result of an interperiodic screen. Pursuant to this section, States must provide for interperiodic screening, vision, hearing, and dental services which are medically necessary to determine the existence of suspected physical or mental illnesses or conditions.

During its deliberations on interperiodic screens, Congress concluded that States must be required to provide for screening services at intervals other than those identified in their basic periodicity schedules when there are indications that it is medically necessary to determine whether a child has a physical or mental illness or condition that may require further assessment, diaanosis, or treatment. These interperiodic screening examinations may occur even in children whose physical, mental or developmental illnesses or conditions have already been diagnosed, if there are indications that the illness or condition may have become more severe or has changed sufficiently, so that further examination is medically necessary.

Clearly, Congress intended that those children requiring services in connection with already existing health problems would have access to diagnostic and treatment services appropriate to their needs. This is consistent with the preventive thrust of the program and the concept historically embodied in the EPSDT program to diagnose and treat health problems early before they worsen and become more costly.

In further regard to the issue of prior knowledge of a health problem, a child would have had to receive medical services, through screening or other medical intervention services, at some point in time. For example, a child is seen by a physician and is diagnosed as having a health problem. Two months later the mother takes the child for a scheduled "EPSDT screen" and tells the screening provider that the child was already diagnosed as having a specific health problem. In this example, the initial encounter with the health professional would be considered an interperiodic screen in which the health problem was discovered. As such. it does not matter whether a child receives a screen while Medicaid eligible, nor whether a provider is participating in the Medicaid program at the time such screening services are furnished. Any necessary health care required to treat conditions detected as a result of a screen must be provided.

The submittal of a State plan amendment explaining State reimbursement methodologies will ensure that non-plan treatment services are being correctly reimbursed and that federal financial participation can be justified.

Reimbursement methodologies for these services should be reflected in Attachment 4.19 of the State plan. The amendment should be submitted in accordance with the provisions under Sections 1902(a)(4) and 1902(a)(30)(A) of the Act and regulations at 42 CFR 430.10, 42 CFR 430.12(c), and 42 CFR 447.201(b). Furthermore, we have enclosed a suggested format for page 22 of the State plan which should be submitted in conjunction with the changes to Attachment 4.19.

Finally, we ask that 1) you provide written assurances to this office that you are meeting the requirements of Section 6403 of OBRA 1989, as delineated in this letter; and 2) you submit a State plan amendment (if you have not done so already) indicating compliance with these requirements. Please furnish this to us no later than 30 days from your receipt of this letter.

Please contact your state representative or Betty Wheeler at (215) 596-0634 if you have any questions concerning the above information, or require technical assistance in the completion of the State plan amendment.

Maurice Hartman dcm

Maurice Hartman
Regional Administrator

Enclosure

State_____

3.1(a)(5) (Continued)

(iii) Services made available to the medically needy are equal in amount, duration, scope for each person in a medically needy coverage group.

☑ Yes.

☐ Not applicable. The medically needy are not included in the plan.

(a)(6) The Medicaid agency meets the requirements of 42 CFR 441.56 through 441.62 and P. L. **101-239** with respect to early and periodic screening, diagnosis, and treatment (EPSDT) services.

441.55 50 FR 43654, P. L. **101-239** (Section 6403) and **1902(a)(43),** 1905(a)'(4), and 1905(r) of the Act.

☑ The Medicaid agency has in effect agreements with continuingcareproviders. Described below are the methods employed to assure the providers' compliance with their agreements.