

EPSDT: case managed

T-226

T-2210



DEPARTMENT OF HEALTH & HUMAN SERVICES

Health Care
Financial Administration

Refer to MOE:05

NOV 0 9 1994

Regional
Federal Building
26 Federal Plaza
New York NY 10278-0045

Barbara Frankel
Maternal and Child Health Care
Division of Health and Long Term Care
New York State Department of Social Services
40 North Pearl Street
Albany, New York 12243

Handwritten notes:
- 1 copy file Home Visits (1993)
- Section 3000 H
- Care) more by
- Some Green by
- Zena Myron
- Study Unit
- Golden Damers
- for mail (copy)
- (1993)

Dear Ms. Frankel:

This is in response to your letter of August 18, 1994 in which you describe a program of home visiting developed by the Monroe County Department of Health. The County proposes that the home visits are an Early and Periodic Screening Diagnosis and Treatment (EPSDT) administrative activity. It plans to claim the cost of the visits as an Title XIX administrative cost.

We have previously furnished your office with HCFA policy in regard to claiming administrative costs. However, we will repeat it within the context of the County's request.

Section 1903(a) of the Social Security Act requires that, to be eligible for Federal financial participation (FFP), the administrative activities must be necessary for the proper and efficient administration of the State Plan. Because activities related to services that Medicaid does not cover are not considered necessary for the administration of the Medicaid State Plan, the administrative costs involving non-Medicaid services are not eligible for FFP. For example, activities related to obtaining social services, food stamps, energy assistance, or housing cannot be considered an administrative expense because they are not covered by Medicaid. General public health activities, such as drug prevention programs, are not allowable under Medicaid.

Activities may be classified as allowable administrative costs of the Medicaid program when:

they are furnished in a manner consistent with simplicity of administration and are in the best interest of the beneficiary, as prescribed by §1902(a)(19) of the Act; and,

documentation maintained in support of the claimed expense is sufficiently detailed to permit HCFA to determine whether the activities are necessary for the proper and efficient administration of the State Plan, as provided by §1903 of the Act; and,

do not duplicate other Title XIX services.

When FFP is claimed for any functions performed as administrative activity under §1903(a) of the Act, documentation must clearly demonstrate that the activities were furnished to Medicaid applicants or recipients, and were in some way connected with determining eligibility or administering services covered under the State Plan. In addition, all rules for claiming Federal matching funds must be observed. When a State expects to claim FFP for Medicaid administrative activities, the costs for these activities must be included in a cost allocation plan submitted to and approved by the HCFA Regional Office.

The Monroe County proposal describes the administrative activities it plans to provide during home visits on page two of its July 29, 1994 letter. The first two activities are directly related to the administration of the Medicaid State Plan.

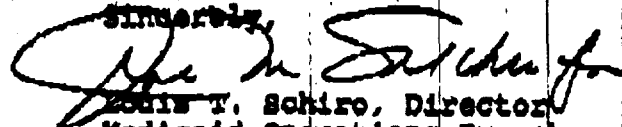
The third activity involves parent education. The Social Security Act at §1905(r)(1) specifically includes health education as a component of EPSDT screening service. Since health education is clearly a Medicaid service, it cannot be claimed as an administrative activity.

The fourth activity involves assisting parents in locating and enrolling in services. As indicated above, activities related to services that Medicaid does not cover are not considered necessary for the administration of the Medicaid State Plan. Administrative costs involving non-Medicaid services are not eligible for FFP. The exception is that referral to the Special Supplemental Food Program for Women, Infants and Children (WIC) as specified in 42 CFR 431.635, is eligible for FFP.

The Monroe county program must also take precautions so that its administrative activities do not duplicate those of other programs that provide actual Title XIX services, such as the services furnished by "Early Intervention" providers.

I trust this information is useful. Please contact Jane Salchli of my staff at (225) 764-2775 if you have additional questions.

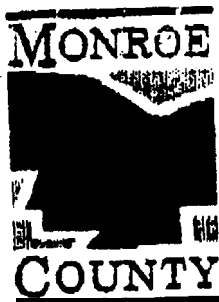
Sincerely,



Louis T. Schiro, Director
Medicaid Operations Branch
Division of Medicaid

SENT BY: NHELP 310/2040891 : 12-22-94 : 12:09 ;
DEC-22-1994 13:27 FROM MONROE C T Y HLTH DEPT EISP TO

EPSDT: case management
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Department of Health

Robert L. King
County Executive

Andrew S. Doniger, M.D., M.P.H.
Director

July 29, 1994

Mrs. Barbara Frankel
Division of Health & Long Term Care
New York State Dept. of Social Services
40 North Pearl Street
Albany, NY 12208

Re: EPSDT Administrative Reimbursement for
Paraprofessional Home Visiting Services to
Developmentally Vulnerable Children

Dear Barbara:

As you requested, here is a description of the Monroe County Health Department Child Health Initiative. The purpose of the Child Health Initiative is to eliminate barriers to children's health care caused by fragmentation in financing and delivery. The Child Health Initiative has been selected as a program site by the New York State Innovations Board for Children and Families. With this designation, the state has made a commitment to expedite program implementation by removing barriers such as categorical funding and administrative hurdles, and will seek to waive regulatory obstacles to ensure the program's success.

A central feature of the Child Health Initiative will be the use of paraprofessional home visitors to serve poor, inner-city children age birth through five who are at risk for developmental delay. These home visitors will help to link families to programs and services which can effectively reduce or prevent health and developmental problems, such as Medicaid, WIC, and Part H Early Intervention. Medicaid's EPSDT program for children authorizes Medicaid payment for these outreach and care coordination services, under the rubric of Medicaid EPSDT administrative activities.

1. Target Population

The children served will be low-income children age birth through five who are born to women enrolled in Rochester General Hospital's Women's Center, a prenatal clinic for inner-city women with high-risk pregnancies. A review of the clinic's enrollment data indicates that approximately eighty-five percent of these children are Medicaid eligible.



The Child Health Initiative home visiting program will serve primarily those children "at-risk" for health problems and disabilities, such as those children enrolled in or eligible for the Infant Child Health Assessment Program ("ICHAP"). ICHAP, which screens and tracks infants and toddlers with risk factors such as low birthweight, functions as the Child Find component of the Early Intervention program. This group of "at-risk" children currently are not served by New York's Early Intervention program. Although our focus is upon the "at-risk" population, our program might also serve some children enrolled in Early Intervention in situations where paraprofessional home visiting may usefully supplement the child's Early Intervention Family Service Plan (Early Intervention in New York State provides reimbursement for nurse home visitors, but not for paraprofessionals). The Monroe County Health Department is the lead agency for Early Intervention, so that integration can be achieved between the services of the Child Health Initiative and Early Intervention.

2. Services Provided

The Monroe County Health Department, a Title V Maternal and Child Health Block Grant granteewill employ non-professional home visitors, who will provide services similar to those of the New York State funded Community Health Workers.¹ They will be supervised by a public health nurse. These services, provided to Medicaid eligible children, are central to the EPSDT program, The home visitors will:

- 1) assure compliance with well-child care by tracking the well-child schedule of visits and immunizations,
- 2) providing scheduling and transportation assistance,
- 3) help parents to identify when medical care is needed, by teaching parents the milestones of normal child health and development.
- 4) help parents to locate and enroll in Medicaid, WIC, HeadStart, Early Intervention, and other important child health programs.

1. The home visitors will not be funded through the New York State Community Health Workers grant Program, although some of the services provided are similar. Only local funding will be used for the local Medicaid match.

3. Medicaid Coverage

All of these activities are within the scope of EPSDT services. Federal Medicaid law requires "the provision of the services needed by EPSDT clients if the services can be covered under the Medicaid program. If they are not covered under the Medicaid program but are available through community or other resources, the law requires that the Medicaid program locate these services and arrange for their provision to the client."² The Child Health Initiative home visitors will help families locate and arrange for services.

In the EPSDT program, case management is covered as an administrative activity:

Case management is an activity under which responsibilities for locating, coordinating and monitoring necessary and appropriate services for a recipient rests with a specific individual or organization. . . [it] provides the difference between a fragmented program in which examinations, diagnosis, treatment and other functions are performed in isolation from each other, and a comprehensive program based on the concept of getting children into the existing "mainstream" system of health care delivery."³

The Health Care Financing Administration has stated that for "FFP purposes, outreach, community campaigns and case management conducted by state Medicaid agency staff (or staff or another public agency for the Medicaid agency) would be considered administration." (emphasis added)⁴

[HCFA has explicitly approved administrative reimbursement of maternal and child health paraprofessional home visiting programs. A letter from HCFA's Region III office to the Director of Virginia's Medicaid program (attached) states that:

we believe your proposal [maternal outreach by paraprofessional home visitors] is an innovative approach to outreaching pregnant women who traditionally are poor utilizers of health care services, particularly pre and post natal services. Accordingly, we concur that this activity would be acceptable as an administrative expense at 50% Federal Financial Participation.⁵

2. State Medicaid Manual Part 5, EPSDT, section 5340.

3. State Medicaid Manual Part 5, EPSDT, section 5310.

4. Id.

5. Letter of August 28, 1989 from Maurice Hartman, Regional Administrator, HCFA Region III, U.S. Department of Health and Human Services to Bruce Kozlowski, Director, Virginia Department of Medical Assistance Services.

Federal law requires that all Medicaid State Plans "provide, if requested by the title V grantee . . . that the Medicaid agency reimburses the grantee or the provider for the cost of services furnished [Medicaid] recipients by or through the grantee." State Medicaid programs may enter into agreements or contracts with other agencies and programs for services provided to Medicaid eligible families:

such as Title V, [which] may include payment for certain administrative functions (e.g., outreach, assessing quality, transportation, and case management) "

Administrative services may be performed by the employees of the Medicaid agency, or by employees of other public agencies including local health departments. Fifty percent federal matching funds are available for the cost of administrative services.

As required by federal law, New York State has an interagency agreement between the state department of social services and the state department of health to provide for Medicaid reimbursement of maternal and child health services provided by the health department. The cooperative agreement is sufficiently broad to permit reimbursement for the home visiting program without requiring further amendment. One section of the agreement has a provision to:

jointly explore and study the feasibility of conducting special outreach, referral and tracking efforts directed at Medicaid Assistance eligibles who are either unserved or underserved and may be eligible for MCH primary and preventive health care programs or programs for CSN.
(emphasis added)

The Child Health Initiative, which seeks to establish a central care coordination unit for young children at risk for health problems and developmental disabilities, clearly falls within the framework of "special outreach, referral and tracking efforts."

6 42 C.F.R. § 431.615(d) (State plan requirements; Relations with State health and vocational rehabilitation agencies and title V grantees),

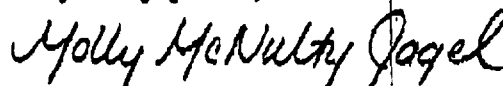
7 State Medicaid Manual, Part 4 Early and Periodic Screening Diagnosis and Treatment, § 5340-B, page 5-52.

8 Cooperative Agreement, p. 8

To establish a billing mechanism, Monroe County Department of Health and Department of Social Services will develop a Cooperative Agreement, which will in part be based upon NYS DSS' Model Cooperative Agreement for Medicaid administrative funding for Early Intervention (Transmittal No. 94 LCM-23, March 3, 1994), and in part on other states' interagency agreements which authorize Medicaid reimbursement for health department home visiting programs for mothers and children. This agreement must be reviewed by the county law department before I send it to Monroe County Dept. of Social Services for review and signature. We have already received approval for this concept from the Monroe County Department of Social Services.

Please contact me if you have further questions. I will send you more information about the local financing and cooperative agreements as we develop those components. Thank you for your assistance.

Very truly yours,



Molly McNulty Jagel, J.D.
Financing Coordinator
Child Health Initiative

Attachments:

CityMatCH, "Maximizing Medicaid Funds for Urban Maternal Child Health"
HCFA Approval Letter
State Medicaid Manual EPSDT Excerpts

cc:

Dr. Andrew Doniger, Director, Monroe County Dept. of Health
Carol Deinhardt, Asst. Director for Medicaid, Monroe County
Dept. of Social Services
Berry Sherman, Innovations Board, NYS Dept. of Health