Office of Children's Services
Empowering communities to serve youth

Maximizing Medicaid Funding for Youth Served through the Children's Services Act

Introduction:

The Children's Services Act section of the Appropriation Act contains the following language:

D. Community Policy and Management Teams shall use Medicaid-funded services whenever they are available for the appropriate treatment of children and youth receiving services under the Children's Services Act. Effective July 1, 2009, pool funds shall not be spent for any service that can be funded through Medicaid for Medicaid-eligible children and youth except when Medicaid-funded services are unavailable or inappropriate for meeting the needs of a child.

G. The Office of Children's Services shall work with the State Executive Council and the Department of Medical Assistance Services to assist Community Policy and Management Teams in appropriately accessing a full array of Medicaid-funded services for Medicaid-eligible children and youth through the Children's Services Act, thereby increasing Medicaid reimbursement for treatment services and decreasing the number of denials for Medicaid services related to medical necessity and utilization review activities.

Children's Services Act Policy 4.4.2 reiterates Section D. of the Appropriation Act.

This document is intended to assist local CSA programs with accomplishing these directives.

General Guidance:

1. Where appropriate, increase utilization of Medicaid acute care, inpatient, outpatient, and community behavioral health service providers. Services obtained from such providers do not require CSA or local matching dollars.
2. If out-of-home placement is indicated, increase utilization of Medicaid-funded Psychiatric Residential Treatment Facilities, Therapeutic Group Homes, and Therapeutic Foster Care providers. While these services require CSA and locality matching dollars, it is still more economical for the locality than paying with all CSA and local dollars.
3. Determine whether Medicaid-eligible children require medical/behavioral health services outside the available Medicaid state plan services that could be covered under the Early Periodic Screening Diagnosis and Treatment (EPSDT) program, as these services do not require CSA or local matching dollars.

4. Increase utilization of Medicaid-funded rehabilitative services (e.g., physical and occupational therapy). These services do not require CSA or local matching dollars.
5. Increase utilization of Medicaid-funded transportation to take children with Medicaid coverage to and from Medicaid-reimbursed services. These services do not require CSA or local matching dollars.

Information about Specific Services[1]:

Medicaid-Reimbursable Behavioral Health Services Not Requiring Local CSA Match

- **Outpatient Psychiatric Services**: Examples include diagnostic services, individual therapy, family therapy, and group therapy provided by specified licensed professionals
- **Acute Inpatient Psychiatric Services** (psychiatric hospitalization services)
- **Physicians' Services: Inpatient and outpatient services**
- **Mental Health and Substance Use Disorder Services**:
  - Intensive In-home Services
  - Therapeutic Day Treatment
  - Partial Hospitalization Program
  - Intensive Outpatient
  - Psychosocial Rehabilitation
  - Multisystemic Therapy (MST)
  - Functional Family Therapy (FFT)
  - Mobile Crisis Response
  - Community Stabilization
  - 23-Hour Crisis Stabilization
  - Residential Crisis Stabilization Unit
  - Assertive Community Treatment (ACT) for Adults
  - Mental Health Skill-building Services (MHSS)
  - Applied Behavioral Analysis (ABA)
  - Inpatient Detoxification
  - Outpatient Treatment Services
  - Office-Based Addiction Treatment
  - Opioid Treatment Program
  - Case Management for Children at Risk of Serious Emotional Disturbance, Children with Serious Emotional Disturbance, and Adults with Serious Mental Illness
  - Substance Use Case Management
  - Mental Health Case Management
  - Peer Recovery Support Services (PRSS)
  - Addiction Recovery Treatment Services (ARTS)

[1] Medicaid services are provided through a Managed Care Organization (MCO) or the Behavioral Health Services Administrator under a Fee-For-Service (FFS) contract (Acentra as of November 2023).

For further details regarding these Medicaid-covered services, refer to the following resource links:

Mental Health Services

Addiction and Recovery Treatment Services (ARTS)

Medicaid-Reimbursable Mental Health Services Requiring Local CSA Match

For certain Medicaid-reimbursable services, Medicaid covers only limited components of the service, and the local CSA program is responsible for the remaining components, which are partially reimbursed from the state CSA pool, with local matching funds covering the remainder.

These include:

- ❖ Treatment Foster Care (TFC) Case Management
  - Medicaid will cover the costs of monthly case management in TFC based on a determination of medical necessity.
  - The CSA program pays private foster care support, supervision, and administration costs.
  - The CSA program or Title IV-E (for eligible children in foster care) pays the monthly maintenance and daily supervision costs.
- ❖ Psychiatric Residential Treatment Facility (PRTF)[2,3]
  - Medicaid will cover the costs of the program's room and board, daily supervision, case management, medical counseling, and supplemental (clinical) therapies.
  - Additional services (e.g., one-to-one supervision) may be covered under EPSDT.
  - The CSA program pays for the educational (and special education) services provided in the PRTF).
- ❖ Therapeutic Group Home (TGH)
  - Medicaid will cover the costs of the program's clinical services.
  - The CSA program pays for the room and board and daily supervision.

In addition to the typical local CSA match for the above-described services, the Office of Children's Services collects from localities (via deductions to reimbursements) and transfers to the Department of Medical Assistance Services (DMAS) a local share of the

[2] Authorization for PRTF and TGH placements through Medicaid requires the completion of the Independent Assessment, Certification, and Coordination Team (IACCT) process managed by the DMAS FFS, Service Authorization Contractor, Acentra. Additional information on the IACCT can be found at: https://dmas.kepro.com/iacct-inquiry-form.

[3] Individuals who are not Medicaid members at the time of admission to a PRTF are likely to become eligible after 30 days in placement under "family-of-one" eligibility criteria. CSA programs are advised to carefully track the application for Medicaid for children placed who are not Medicaid-eligible at the time of placement. Additional information of this eligibility can be found in the **Medicaid Eligibility** section later in this document.

state matching funds required by the Medicaid program for Medicaid funded services (not the match to the CSA state pool for CSA-funded services). As detailed in the DMAS section of the Appropriation Act: "The Department of Medical Assistance Services (DMAS) shall collect and provide to the Office of Children's Services (OCS) all information and data necessary to ensure the continued collection of local matching dollars associated with payments for Medicaid eligible services provided to children through the Children's Services Act. This information and data shall be collected by DMAS and provided to OCS on a monthly basis."

For further details regarding these services covered by Medicaid, refer to the following resource links:

Residential Treatment Services

Medicaid Early Periodic Screening Diagnosis and Treatment (EPSDT) Services Not Requiring Local CSA Match

EPSDT is Medicaid's comprehensive and preventative children's health program for individuals under age 21. EPSDT aims to identify and treat health problems as early as possible. EPSDT provides examination and treatment services to Medicaid members at no cost.

Some of the services covered through EPSDT include:

- Comprehensive Health and Developmental/Behavioral History
- Developmental Assessment and Screening
- Comprehensive Unclothed Physical Examination, Immunizations, and Laboratory Tests
- Laboratory Procedures
- EPSDT Requirements for Lead Testing
- Tuberculin Testing
- Sexually Transmitted Disease (STD) Screening

More information on EPSDT can be found at the following resource link:

EPSDT – Supplement B

Rehabilitative Services Not Requiring Local CSA Match

Medicaid-reimbursed Rehabilitative Services include physical therapy, occupational therapy, and speech-language pathology services.

Further information and services covered under Rehabilitative Services can be found at the following resource link:

Rehabilitation Manual – Chapter IV: Covered Services and Limitations

Information regarding youth who receive these services through their IEP is included in the School Division Manual at the following resource links:

Virginia Department of Education – Medicaid & Schools

DMAS – School Based Services

Medicaid Transportation Not Requiring CSA Local Match

Medicaid transportation can be utilized to take children with Medicaid coverage to and from Medicaid-reimbursed services, such as counseling, doctor's appointments, and day treatment. A responsible adult must accompany the child to and from the appointment. To arrange transportation, call 1-866-386-8331. The call must be made at least five business days before the scheduled medical appointment. Enrollees in a Managed Care Organization (MCO) should contact the transportation number provided by the MCO.

The MCO transportation contact list can be found at the following resource link:

DMAS – Toll-Free Telephone Numbers for all Non-Emergency Medical Transportation (NEMT) Services

Frequently Asked Questions (FAQs) about Medicaid Transportation can be found at the following resource link:

Fee for Service (FFS) Non-Emergency Medical Transportation (NEMT) FAQs for Members, Providers, and Facilities

Medicaid Eligibility As a "Family of One"

It is important to note that a child living in the community will be treated differently in terms of Medicaid eligibility than a child who has been living in an institution for mental disease (IMD), such as a PRTF, for 30 days or more. In the community, the child's eligibility is determined by the family income; in the IMD setting for 30 days or more, the child is considered a "family of one" for purposes of Medicaid eligibility. This can be especially valuable if the youth is already in a Medicaid-certified facility for treatment. (VDSS Volume XIII M0520.001 B. Policy 3. Living Away from Home states: *Children placed in psychiatric residential treatment facilities are considered absent from their homes if their stay in the facility has been 30 days or more. A child who is placed in a psychiatric residential treatment facility is considered NOT living with his parents for Medicaid eligibility purposes as the first day of the month in which the 30th day of a psychiatric residential placement occurs. Long-term care rules do not apply to these children.*)

Additional Information

Information on Medicaid-reimbursed behavioral health services can be found on the DMAS website at https://dmas.virginia.gov/for-providers/behavioral-health/.