



CHAPTER 4

Medicaid and Medicaid Managed Care



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1. New York State's Medicaid Program

Medicaid is a program to assist low-income (income and/or resources below certain levels) New York residents to access medical care.

The New York State Medicaid Program continues to evolve to meet the health care needs of Medicaid recipients. New York has a Medicaid state plan that is the official document that describes the nature and scope of New York's Medicaid program. This plan, developed and maintained by the New York State Department of Health (DOH), is required under Section 1902 of the Social Security Act and is approved by the federal Department of Health and Human Services (DHHS). The plan describes the policies and procedures that New York State follows in administering the Medicaid program, including eligibility criteria, covered services, and reimbursement methodologies, to name a few.

New York State's Medicaid program complies with the federal Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) benefit for children and adolescents. EPSDT affords a comprehensive array of preventive health care and treatments for Medicaid recipients from birth up until age 21 years. New York's Medicaid program implements EPSDT via the Child Teen Health Program (CTHP). CTHP promotes the provision of early and periodic screening services and well care examinations, with diagnosis and treatment of any health or mental health problems identified during these exams. CTHP generally follows the recommendations of the Committee on Standards of Child Health, American Academy of Pediatrics, and emphasizes recommendations such as those described in Bright Futures to guide practice and improve health outcomes to the Medicaid population. The CTHP manual can be found at the following link: www.emedny.org/ProviderManuals/EPSDTCTHP/PDFS/EPSDT-CTHP.pdf.

New York's Medicaid program covers a broad array of services including, but not limited to, the following:

- Well and sick child visits, including laboratory work and immunizations.
- Behavioral health care services.
- Dental and vision services.
- Hospitalizations and emergency room visits.
- Prescriptions and transportation.
- Health home care management and home and community-based services.
- Children and family treatment and support services.

2. Medicaid Eligibility for Children in Foster Care in New York

Children in foster care tend to have extensive and unmet health care needs. Establishing and maintaining Medicaid for children in foster care is essential. Effective January 1, 2005, all children who are in the care and custody or the custody and guardianship of the local department of social services (LDSS) commissioner and who are citizens or have satisfactory qualified immigration status are eligible for Medicaid (MA). In addition, children adjudicated as juvenile delinquents pursuant to Article 3 of the Family Court Act (FCA) and placed in the custody of the New York State Office of Children and Family Services (OCFS), pursuant to Section 353.3 of the FCA, and who are citizens or have satisfactory immigration status, are eligible for Medicaid.

In all cases, the local LDSS is responsible for establishing the child's eligibility for Medicaid. If the child is deemed eligible, the LDSS assigns a Medicaid number to the child and eligibility is valid for 12 months. LDSSs must have policies to facilitate timely Medicaid eligibility determinations for children in foster care as well as recertification policies to provide ongoing coverage. The LDSS is also responsible for the appropriate system entries into the Welfare Management System (WMS) to process payment to voluntary agencies with a Medicaid per diem rate. Voluntary foster care agencies (VFCAs) need policies to verify that Medicaid is active when children come into foster



care as well as policies to confirm ongoing coverage. VFCAs must contact the LDSS-identified Medicaid liaison for any issue related to the child's Medicaid eligibility.

Note: If a child enters foster care and satisfactory immigration cannot be established, the LDSS should apply for Child Health Plus.

Children who enter foster care with third party health insurance (TPHI) and meet all eligibility requirements for Medicaid will have Medicaid and TPHI coverage. Medicaid is, however, always the payer of last resort.

Discharge from Foster Care: When children are ready to be discharged from foster care, maintaining health insurance is important. Options to maintain Medicaid upon discharge from foster care including the following:

1. Medicaid to 26: Youth who are in the care and custody or custody and guardianship of the LDSS commissioner or OCFS commissioner on their 18th birthday and who were in receipt of Medicaid when discharged from foster care on or after their 18th birthday and who are not otherwise eligible for Medicaid, are eligible for Medicaid until age 26, regardless of income or employment status. Medicaid eligibility continues through the end of the month in which the young adult turns 26 and remains a resident of New York.^{1,2}
2. True Chafee: Youth who were in foster care on or after their 18th birthday but not in receipt of Medicaid at the time of discharge could be enrolled in Medicaid until age 21, regardless of income or employment status.
3. Continuous Coverage: When children are discharged from foster care, their Medicaid case should be referred for a separate determination. Once an eligibility determination has been made, the LDSS must send a notice to the caretaker regarding their Medicaid status.

If the child is determined ineligible or if eligibility cannot be determined, the child continues to receive up to 12 months of Medicaid under continuous coverage provisions. Continuous coverage, regardless of any changes in income or circumstances, applies to children in foster care who were found fully eligible for Medicaid. The continuation of Medicaid must be provided for the remainder of the 12 months from the date of the last positive determination or re-determination.

Providers should utilize the Electronic Provider Assisted Claim Entry System (ePACES) to verify the child's Medicaid status and Medicaid managed care plan. Instructions for ePACES and how to verify eligibility can be found at this link: https://www.emedny.org/selfhelp/ePACES/ePACES_Help.pdf.

3. Medicaid Managed Care

Managed care is a term that describes a health insurance plan that coordinates the provision, quality, and cost of care for its enrolled members. New York State requires individuals in receipt of Medicaid to enroll in a Medicaid managed care plan (MMCP) unless otherwise exempt or excluded. Once enrolled in an MMCP, individuals must use health care providers that are in the MMCP network. Effective 2013, children in foster care in direct care, meaning care provided directly by the LDSS, were mandatorily enrolled in Medicaid managed care. Effective July 2021, children in foster care placed with VFCAs were mandatorily enrolled in Medicaid managed care unless otherwise exempt or excluded.

DOH contracts with MMCPs

Once authorized by DOH, MMCPs contract with health care providers in the community to meet the needs of their members. This includes doctors and specialists, hospitals, labs and other health care facilities. Effective July 1, 2021, VFCAs licensed under Article 29-I of the Public Health Law (PHL) are required to bill MMCPs when they provide medically necessary health care services they are authorized to provide as indicated on their Article 29-I license.

MMCPs use a variety of methods to manage the health care of their members. All MMCPs are required to maintain a

¹ Patient Protection and Affordable Care Act, SSL §366(1)(c)(9).

² 15-OCFS-ADM-17, Patient Protection and Affordable Care Act and Medicaid to Age 26.



member services handbook that explains their benefits and plan procedures. These handbooks are on each MMCP's website. Common practices used to promote access to the right health care at the right time and at the right amount include the following:

1. MMCPs require that each of their members be assigned a primary care provider (PCP). PCPs are essential for the provision of well child visits as well as sick child visits. They also help coordinate access to specialists. Always consult with the child's MMCP about which services must be coordinated through the PCP.
2. MMCP care management and member services staff: MMCPs have networks of health care providers, and the MMCPs' care managers and member services staff are there to help arrange for care.
3. MMCPs may place service authorizations with some Medicaid services. Examples of services that often require prior authorization include experimental procedures, certain medications, and out-of-network care.

OCFS and DOH work in close collaboration to develop statewide policies and standards that support appropriate access to health care services for children in foster care. There are a series of documents that guide the requirements of children placed with VFCA into MMCPs. This includes the following:

1. Article 29-I VFCA Health Facilities Guidelines.
2. New York State Children's Health and Behavioral Health Benefit Administration, Medicaid Managed Care Organization, Children's System Transformation Requirements and Standards.
3. Transition of Children Placed in Foster Care and New York State PHL Article 29-I Health Facility Services into Medicaid Managed Care.
4. New York Medicaid Program 29-I Health Facility Billing Guidance.
5. DOH LDSS General Information System (GIS).

These documents contain a series of guiding principles and key provisions to meet the health care needs of children and youth placed with a VFCA. They are as follows:

1. Decisions are to always be in the best interest of the child. Decisions about whether to enroll a child in an MMCP, which MMCP, and health care decisions are always in the best interests of the child.
2. MMCP retroactive enrollments. When a child is placed in foster care, Medicaid eligibility is always retroactive to the first of the month in which the child was removed from the child's home. So, health care services are put in place immediately, and MMCP enrollment is retroactive to the first of the month in which the Medicaid case is established. This is intended to make the MMCP network of health care providers available to children without delay.
3. There are no MMCP lock-in rules. Children in foster care can change MMCPs at any time and children can change PCPs at any time.
4. MMCPs are not permitted to require prior authorizations on any required or mandated assessments.
5. New York State requires that each MMCP, LDSS and Article 29-I VFCA health facility have liaisons available to help.

4. Types of Foster Care Placements and Impact on Health Care

Children in Foster Care Homes Certified by the LDSS

Approximately one quarter of children in foster care in New York State are in the direct care of the LDSS commissioner and a VFCA has not been assigned any role with the case. In 2013, New York State mandated that all children in direct foster care be enrolled in Medicaid managed care unless otherwise exempt or excluded.



Children Placed With Voluntary Foster Care Agencies (VFCAs)

Children in foster care placed with a VFCA are required to enroll in Medicaid managed care unless otherwise exempt or excluded.

VFCAs that wish to provide health care services must apply for an Article 29-I Health Facility licensure, and each location/site where the VFCA offers health care services must be licensed. Non-licensed VFCAs are not permitted to provide health care services to children. Children in their care should be enrolled in Medicaid managed care, and the LDSS and the MMCP must work together to arrange for health care services. The vast majority of VFCAs have opted to become an Article 29-I VFCA health facility.

5. Article 29-I VFCA Health Facilities License

Article 29-I Required Services

VFCAs that obtain an Article 29-I VFCA health facilities license are required to provide core limited health-related services (CLHRS). VFCAs are paid a Medicaid per diem rate to provide CLHRS to each child in their care. The CLHRS includes the following:

1. Nursing services.
2. Skill building licensed behavioral health practitioner (LBHP).
3. Medicaid treatment planning and discharge planning (Medicaid escorts).
4. Clinical consultation/program supervision services.
5. VFCA Medicaid managed care liaison services/administrator.

The health needs of children in foster care vary in severity across different foster care agency programs; some programs within the foster care agency spend more per child on health services than other programs. The objectives of the Medicaid per diem methodology are the following:

- Allow providers to work in the foster care milieu and not bill on a Medicaid encounter basis.
- Provide equitable distribution of available resources among all VFCAs that are providing services in an efficient fashion.
- Create standardization of services across all Article 29-I VFCA health facilities.
- Be sensitive to the unique or unusual medical needs of certain groups of children with special medical conditions.
- Raise the level of health care services.

Article 29-I Optional Services

Other limited health related services (OLHRS) are optional services a VFCA may choose to directly provide and include the following:

1. Screening, diagnosis and treatment services related to physical health and includes:
 - Ongoing treatment of chronic conditions as specified in treatment plans.
 - Diagnosis and treatment related to minor ailments, illness, injuries, and sick visits.
 - Primary pediatric/adolescent care.
 - Immunizations in accordance with current New York State/New York City recommended schedule.
 - Reproductive health care.



- Laboratory services.
- 2. Screening, diagnosis, and treatment services related to developmental and behavioral health and include:
 - Psychiatric consultation, assessment and treatment.
 - Psychotropic medication treatment.
 - Developmental screening, testing and treatment.
 - Psychological screening, testing and treatment.
 - Smoking cessation treatment.
 - Alcohol and/or drug screening and intervention.
- 3. Other Medicaid services:
 - New York State designated child and family treatment supports and services (CFTSS). More information on CFTSS can be found here: https://www.health.ny.gov/health_care/medicaid/redesign/behavioral_health/children/docs/updated_spa_manual.pdf
 - New York State designated home and community-based services (HCBS). More information on HCBS can be found here: https://www.health.ny.gov/health_care/medicaid/redesign/behavioral_health/children/docs/hcbs_manual.pdf³

³ Article 29-I VFCA Health Facility Guidelines Final Draft (December 2022).