



North Carolina Medicaid Division of Medical Assistance

The Medicaid Benefit for Children and its Federal Guarantees:
***Introduction: Early and Periodic Screening,
Diagnostic And Treatment Services***



EPSDT: The Foundation of Medicaid's Benefit for Kids

Statutory, CFR and CMS Publication References for The Benefit

- 42 U.S.C. §§ 1396a(a)(10)(A), 1396a(a)(43),
- 1396d(a)(4)(B), 1396d(r)
- 42 C.F.R. §§ 441.50-441.62
- CMS, State Medicaid Manual, part 5
- CMS, *EPSDT-A Guide for States*: Coverage in the Medicaid Benefit for Children and Adolescents Youth
- (June 2014), http://www.medicaid.gov/medicaid-chipprogram-information/bytopics/benefits/downloads/epsdt_coverage_guide.pdf

Overview of the Medicaid Benefit for Kids.

Topics Covered in this Training:

- Guarantees in The Medicaid Act for a Comprehensive Array of Medical Services for Kids
- Essential Information on the Medicaid Wellness Benefit for kids: *Early and Periodic Screening* (North Carolina Health Check)
- Federal EPSDT Benefit *Guarantees* and Operational Details
- Details of EPSDT's *Medical Necessity Review*
- The Medicaid Act and Waivers: Medical Services and '*Wraparound*' Supports.

Overview of the Medicaid Benefit for Kids.

Part One:

The Medicaid Act's Benefit for Children

and

“Early and Periodic Screening, Diagnostic and Treatment” Services

*The Medicaid Benefit Supports a Healthy Future
..... for Every Child*



Why Does Medicaid Offer a Comprehensive Benefit to Kids?



Why Does Medicaid Offer a Comprehensive Benefit to Kids?

Long Term Costs of Chronic Illness and Impaired Productivity Are Significant and Avoidable:

- Postnatal maternal depression is significantly higher and rates of breastfeeding are lower for families living in poverty.
- Children living in poverty are more likely to experience problems with nutrition, childhood obesity, anemia, diabetes, asthma, cancer, lead-poisoning, neuro-developmental problems and poor dental health.

Source: <https://www.jrf.org.uk/sites/default/files/jrf/migrated/files/2301-child-poverty-costs.pdf>

Why Does Medicaid Offer a Comprehensive Benefit to Kids?

Economic hardship is consistently associated with high risk for negative outcomes in health status, school performance and later employability:

- Infant mortality is higher amongst children born into poverty, who are more likely to be born prematurely and have low birth weight.
- living in an impoverished single-parent family can markedly increase children's chances of adverse outcomes.
- As early as 24 months, children in low-income families have been found to show *lags in cognitive/behavioral development* compared to their peers in higher-income families;
- Children affected by poverty-driven risks are the most likely to experience *school failure and maladaptive behavior*;

Source: http://www.nccp.org/publications/pub_1073.html

EPSDT: The Foundation of the Medicaid Benefit for Kids

The Mission of The Medicaid Benefit for Children

Children's health problems should be addressed before they become advanced, challenging or debilitating and before treatment becomes difficult and more costly

EPSDT: The Foundation of the Medicaid Benefit for Kids

The Fundamentals of the Medicaid Benefit and Guarantees of ‘Early and Periodic Screening, Diagnosis and Treatment’

Provide Early Medically Necessary Treatment to
‘Correct or Ameliorate’
Diagnosed Health Conditions

https://www.ssa.gov/OP_Home/ssact/title19/1905.htm

EPSDT: The Foundation of the Medicaid Benefit for Kids

A Brief History of the Term:

“Early and Periodic Screening, Diagnostic and Treatment Services”

- The term appears in the section of the Social Security Act [§ 1905(r)] addressing the *Title XIX* federal Medicaid Program (*The Medicaid Act*);
- This section of The Act describes a broad array of preventive, diagnostic and treatment services, accessible by Medicaid children under 21 years old, intended to ‘*correct or ameliorate*’ their health conditions;
- The term has become synonymous with the Medicaid Benefit for children as described in that section of The Act;
- The term is now known by its familiar acronym, “*EPSDT*”;
- The *Children’s Medicaid Benefit* is now often simply referred to as “*EPSDT*”

EPSDT: The Foundation of the Medicaid Benefit for Kids

What We All Need to Know About Medicaid and EPSDT:

- **“EPSDT”** refers to a set of ‘*mandates*’ or ‘*guarantees*’ for Medicaid enrolled kids;
- The rules found in the federal Medicaid Act direct state agencies to administer the Medicaid benefit for children under 21 years old in a *uniform and consistent manner, to assure fair coverage and effective medical treatment for every Medicaid enrolled child.*
- Decisions about children’s care are guided by a standard of medical necessity tailored especially to infants, children and adolescents, highlighting *prevention and support for normal, healthy development.*

EPSDT: The Foundation of the Medicaid Benefit for Kids

What We All Need to Know About Medicaid and EPSDT:

- Medicaid's health insurance coverage for children and adolescents features a comprehensive menu of benefits, *not limited by individual state coverage policy*.
- Because children are in a constant state of growth, development and change, *every child's health needs are unique*.
- Decisions about approving care are individualized, made following careful, professional review of health conditions and standards of best practice and evidence-based care.

Early and Periodic Screening, Diagnosis and Treatment

Medicaid's benefit for its eligible children is identified by the familiar title addressing it in the Social Security Act.

EPSDT is:

- A comprehensive healthcare plan focused on *prevention* and *early treatment*.
- A flexible plan with a menu of benefits available to be tailored to children's individual and developmental needs, not to private insurer benchmarks.

EPSDT is not:

- A special funding program.
- A stand-alone coverage with a special application process.
- A freestanding funding source for a limited class of services.

EPSDT: The Foundation of the Medicaid Benefit for Kids

The Responsibilities of The State Medicaid Agency and its Agents

The State Medicaid Agency remains accountable and responsible for the implementation of the federal healthcare plan, whether directly administering the program as fee-for-service or through execution of managed care contracts.

EPSDT: The Foundation of the Medicaid Benefit for Kids

The State Medicaid Agency has an Affirmative Obligation to:

- *Inform families* about their child's Medicaid benefit, it's EPSDT guarantees and about availability of screening and wellness services (*Early and Periodic Screening*)
- *Arrange for* (directly or through referral to appropriate agencies, organizations or individuals) medically necessary *corrective treatments*, whether or not such services are covered in the State Medicaid Plan.

EPSDT: The Foundation of the Medicaid Benefit for Kids

The State Medicaid Agency has an Affirmative Obligation to:

- *Make available*, either directly or by arrangements, a variety of individual and group *providers* qualified and willing to provide a covered service;
- *Enroll* providers, set reimbursement *rates*, set provider *qualifications* and assure the means for *claims processing* when the service is not already established in North Carolina State Medicaid Plan.

EPSDT's Mission Statement

Early identification and integrated treatment of health problems means:

- ✓ *“the right care”*
- ✓ *“to the right child”*
- ✓ *“at the right time”*
- ✓ *“in the right setting”*

Early and Periodic Screening, Diagnosis and Treatment: An Overview

*If EPSDT means 'the Medicaid Benefit for eligible kids,'
why the fuss over the words 'EPSDT service'?*

Just what is an 'EPSDT service'?

Early and Periodic Screening, Diagnosis and Treatment

an 'EPSDT Service' is:

- Any *early and periodic screening* service (preventive service visit) received by a Medicaid beneficiary;

and:

- Any treatment or service requiring the application of EPSDT's federal criteria in a *formal review* for medical necessity to authorize.

The Foundation of the EPSDT Benefit

The Medicaid Benefit for Children is Individualized and Flexible:

- Any medical treatment, product or procedure listed within the broad service categories at *Social Security Act § 1905(a)* is coverable, when a formal review, conducted using federal EPSDT criteria, decides the service medically necessary to '*correct or ameliorate*' defects and physical and mental illnesses and conditions'.
- Specific policy coverage criteria need not be met, and limits on scope, amount and frequency of service may be overridden.
- All *Social Security Act § 1905(a)* services are coverable when an individualized, professional review per *federal EPSDT criteria* establishes medical necessity for them, regardless of their coverage status by a state Medicaid plan.

The EPSDT Benefit Is Always There for Medicaid's Kids

*The EPSDT Benefit
'runs in the background' 24/7*

Medicaid's EPSDT benefit sets the broadest coverage standard of any purchaser of health care for children

The Medicaid Benefit for children features a pediatric and developmental standard of medical necessity to support a broad class of best practice/ evidence-based interventions shown effective to:

- *treat* symptoms of acute conditions typically covered by commercial insurance;
- *minimize*, through preventive care, the impact of health conditions on subsequent growth and development;
- *ameliorate* the impacts of serious and long-term illnesses and developmental conditions.

The EPSDT Benefit is Individualized

Medicaid coverage 'breathes' with the covered child.

- Benefits are capable of “expanding to fit needs” of eligible children so long as the medical service is contained within the broad category of services listed at §1905 (a) *of the Social Security Act* .
- Services coverable by the EPSDT benefit must be ‘medical in nature’ but need not be included in either coverable policies, service definitions or billing codes posted by DMA or its agents.

The EPSDT Benefit Tailors Care

The EPSDT Medical Necessity Review Applies a Uniform Standard to Each Child's Individual Needs

- Each child is unique. There is no single set of treatments/services to fit all children.
- Services are *individually tailored* and authorized by a professionally conducted review utilizing *standardized, federal EPSDT review criteria*.
- Medicaid *must cover* any service approved by an EPSDT medical necessity review.
- Services coverable by the EPSDT benefit must be 'medical in nature' but need not be included in either coverable policies, service definitions or billing codes posted by DMA or its agents.

The EPSDT Benefit Covers Short and Long Term Services

The EPSDT benefit covers both acute and long term services, products and interventions.

- Treatment need not ameliorate the child's condition taken as a whole, but need only be medically necessary to ameliorate one of the child's diagnoses or medical conditions. Treatments may be approved to *palliate* medical conditions.
- Treatments and services should be evidence-based and reasonably expected to be effective to correct or ameliorate a child beneficiary's diagnosed condition.

The EPSDT Benefit and 'Services that Restore'

*Medicaid Reimburses for
Rehabilitative Services Coverable
at Social Security Act § 1905(a)*

The EPSDT Benefit Covers Rehabilitative Services

*The Medicaid Act {CFR 440.130(d)} defines '**rehabilitative**' (restorative) services to mean:*

- “Any medical or remedial service recommended by a physician or other clinical practitioner working within their scope of practice under state law, for the maximum *reduction* of physical or mental disability *and restoration* of an individual to the best possible functional level.”
- The service does not have to ‘cure’ or completely restore an individual to a previous level of function.

The EPSDT Benefit Covers Out of State Services

The EPSDT benefit covers services and interventions delivered outside of North Carolina under specific circumstances.

- The requestor must show that no equally effective treatment is available within the state.
- Out of state services *do require prior authorization* and have specific pathways of formal referral.

§1905 (a)(r) Medicaid Coverable Services

- Prescription Drugs
- Dentures
- Eyeglasses
- PT, OT, and services for speech, hearing, and language disorders
- Prosthetics
- ICF-MR services
- Medical care, including transportation to that care
- Diagnostic, screening, preventative, and rehabilitative services
- Inpatient psychiatric hospitalization
- TB / Respiratory related services
- Personal Care Services
- Hospital services, inpatient and outpatient
- Rural health clinic services
- FQHC services
- Lab and X-ray services
- Family planning services and supplies
- Physician services
- Dental services, including medical and surgical
- Home Health
- Private Duty Nursing
- Clinic Services
- Hospice Services
- Case Management /Primary Care CM