



DEPARTMENT OF HEALTH & HUMAN SERVICES

Health Care Financing Administration

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T-56

MAY 21 1992

Ms. Lourdes A, Rivera
Ms Sara Rosenbaum
Children's Defense Fund
122 C Street, N.W.
Washington, D.C. 20001

Dear Ms. Rivera and Ms. Rosenbaum:

I am responding to your memorandum requesting clarification of case management services for Medicaid-enrolled children under the EPSDT program. You indicate in your memorandum that the State of Missouri and the Health Care Financing Administration's Kansas City Regional Office have taken the position that the State does not have to pay for case management services for EPSDT recipients.

I agree with your conclusion that case management services under section 1905(a) of the Social Security Act (the Act) are required to be provided to EPSDT recipients, if determined to be medically necessary. As you indicate in your letter, the Omnibus Budget Reconciliation Act of 1989 added section 1905(r) of the Act which requires States to provide any services included in section 1905(a) of the Act when medical necessity for the service is shown by an EPSDT screen, regardless of whether such services are covered under the State plan,

Care management services are included in section 1905(a)(15) of the Act. Therefore, they must be provided to an EPSDT recipient when found to be medically necessary. Under this authority, case management may be used to reach out beyond the bounds of the Medicaid program to coordinate access to a broad range of services, regardless of the source of funding for the services to which access is gained. The services to which access is gained must be found by the Medicaid agency to be medically necessary for the child. However, the medically necessary services do not have to be medical in nature or reimbursable under the Medicaid State Plan Reimbursement for case management services furnished under section 1905(a)(15) of the Act is at the Federal Medical Assistance Percentage Targeted Case Management (TCM) services are not mandatory under EPSDT because they are found at section 1915(g)(1) of the Act, rather than 1905(a) of the Act.

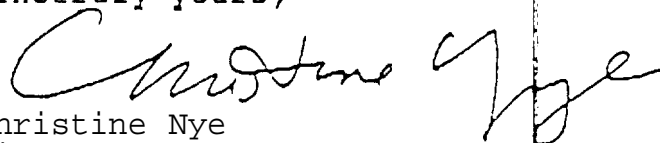
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My staff has been in contact with our Kansas City Regional Office regarding this issue. The Assistant Regional Administrator assures us that he does not agree with the position that Missouri has taken. He also indicated that regional office staff have advised Missouri that it must make case management services, as provided for under section 1905(a)(19) of the Act, available to EPSDT recipients when medically necessary. Regional office staff believe there may be some confusion because the definition for TCM under section 1915(g)(1) of the Act and case management services under section 1905(a)(19) of the Act have the same definition.

Additionally, I am forwarding a copy of your correspondence to our regional office, I am requesting that they take whatever action is necessary to assist Missouri in bringing its Medicaid plan into compliance with the requirements of section 1905(r) of the Act regarding the provision of all medically necessary services listed in section 1905(e) of the Act.

I hope this information is helpful, and I appreciate your interest on this issue,

Sincerely yours,



Christine Nye
Director
Medicaid Bureau

cc:
Associate Regional Administrator, Kansas City