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MACPAC Releases June 2025 Report to Congress

Congressional advisory panel makes recommendations to ease the transition from pediatric to adult care

The Medicaid and CHIP Payment and Access Commission (MACPAC) released its June 2025 *Report to Congress on Medicaid and CHIP* today, with recommendations on improving transitions from pediatric to adult care for Medicaid-covered children and youth with special health care needs (CYSHCN). The report also addresses appropriate access to residential behavioral health treatment services for children with Medicaid coverage, access to medications for opioid use disorder (MOUD) in Medicaid, the Program of All-Inclusive Care for the Elderly (PACE), and self-direction for Medicaid home- and community-based services (HCBS).

"This report offers recommendations to improve the lives of children and youth, as well as valuable insights for state and federal policymakers on access to life-saving medications for people with opioid use disorder, and programs that help Medicaid beneficiaries gain greater control over their own care," MACPAC Chair Verlon Johnson said. "It will help policymakers ensure the Medicaid program runs efficiently and effectively."

Chapter 1 looks at the challenges associated with children and youth transitioning to new adult providers. Almost one in five children has special health care needs, and Medicaid covers almost half of these children. As these children reach adulthood, they need to transition from a pediatric to an adult model of care. Findings from MACPAC's work show that Medicaid-covered CYSHCN can experience challenges during this time, which include transitioning to new adult providers, potential loss of covered benefits, medical complications, and poor health outcomes. State transition of care strategies lack both clear documentation and communications as well as individualized transition of care plans. There is also little guidance to states on coverage of services to support transitions of care and a lack of data collection on this population. Finally, there is limited state Medicaid and Title V agency coordination on CYSHCN transitions of care. The Commission makes four recommendations aimed at addressing challenges with transitioning from pediatric to adult care in Medicaid.

Chapter 2 focuses on appropriate access to residential behavioral health treatment services for children. Medicaid supports a wide range of behavioral health services for children, including residential treatment programs. States are required to provide treatment for individuals with disabilities, including serious mental illness and serious emotional disturbance, in community-based settings if appropriate. However, for children who need more intense care or pose a safety risk to themselves or their families, it is important that they can access residential treatment when necessary. The chapter provides an overview of Medicaid coverage for residential treatment services, how children are referred to residential treatment, what is known about the use of residential treatment, the use of out-of-state placement, access considerations related to the continuum of care, and barriers to appropriate residential treatment.

Chapter 3 examines access to MOUD in Medicaid. In 2020, the drug overdose death rate was two times higher for Medicaid beneficiaries compared to all U.S. residents. Medicaid and the State Children's Health Insurance Program (CHIP) cover a substantial portion of the U.S. population with opioid use disorder (OUD), and the programs have an important role in facilitating access to OUD treatment. In recent years, Congress and federal agencies have approved a variety of policies and funding to improve access to MOUD. The chapter includes a discussion of recent federal policies and funding that have affected access to MOUD, an overview of MOUD



coverage and estimates of use, and barriers to MOUD. The Commission plans to further investigate the use of utilization management practices and how they affect Medicaid beneficiaries' receipt of timely and effective care.

Chapter 4 provides an overview on PACE, which provides fully integrated care to adults ages 55 and older with nursing-facility level of care needs while allowing them to remain in the community. PACE is currently available in 33 states and the District of Columbia. Most PACE enrollees are dually eligible for Medicare and Medicaid, and PACE is considered a care approach that provides fully integrated coverage. The Commission has had a long-standing interest in integrated care for dually eligible individuals because of its potential to better align care and improve health outcomes for beneficiaries, including many with complex care needs, and highlights findings on the design and administration of PACE.

Chapter 5 of the June report looks at self-direction for Medicaid HCBS. The chapter begins with a discussion of the required elements in self-direction and the key stakeholders in program administration. The chapter continues by reviewing state design considerations, including Medicaid HCBS authorities, populations served, services provided, and flexibilities for beneficiaries. Next, it describes state administrative considerations, including information and assistance supports; approaches to financial management services; and quality reporting, monitoring, and oversight. The Commission plans to continue exploring the self-direction model as a coverage option that gives beneficiaries more autonomy over their care than traditional HCBS and may help to alleviate the HCBS workforce shortage.

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ABOUT MACPAC

The Medicaid and CHIP Payment and Access Commission is a non-partisan legislative branch agency that provides policy and data analysis and makes recommendations to Congress, the Secretary of the U.S. Department of Health and Human Services, and the states on a wide array of issues affecting Medicaid and the State Children's Health Insurance Program (CHIP). For more information, please visit: www.macpac.gov.

