

September 19, 2025

Access to Care for Medicaid-Enrolled Youth in Foster Care

Draft chapter for March report

Audrey Nuamah



Medicaid and CHIP Payment and Access Commission

Connect with us on



www.macpac.gov

Overview

- Background
- Federal requirements for child welfare system and Medicaid
- Challenges and considerations for foster care
- Next steps



The background features a dark blue field with several overlapping, semi-transparent light blue geometric shapes. These shapes include a large circle on the left, a vertical rectangle in the center, and a horizontal rectangle to the right of the center. The word "Background" is written in white, bold, sans-serif font, positioned in the upper left quadrant of the image.

Background

Children and Youth in Foster Care

- Physical, behavioral, and oral health needs of children and youth in foster care are complex and greater than children in the general population:
 - Thirty-three percent of children and youth enter into foster care with a chronic health condition
 - Children in foster care are three to four times more likely to have a diagnosis of a mental health disorder
 - Sixteen percent of children in foster care report having dental cavities or decayed teeth
- Lower rates of consistent health care utilization
- Three times more likely to be prescribed psychotropic medications



Federal Requirements for Child Welfare System and Medicaid

Child Welfare System

- The federal Administration for Children and Families (ACF) and a single child welfare agency in each state funded through Title IV of the Social Security Act jointly administer child welfare programs
- State child welfare agencies are the legal custodians of children in foster care and responsible for their health care needs being met, but may not use federal Title IV funds to do so
- Federal rules require:
 - Each state child welfare agency must develop and submit Child and Family Services Plans (CFSP) that detail coordination of services, health care oversight and coordination plans, and case plans and case reviews

Medicaid

- States rely on myriad federal authorities to design and fund Medicaid programs aimed at addressing the unique health care needs of children in foster care
- Children in the child welfare system are eligible for Medicaid through several federal statutory pathways
- All Medicaid-eligible children, including those in foster care, are entitled to Early and Periodic Screening, Diagnostic, and Treatment (EPSDT)
- State Medicaid agencies must design and implement programs to monitor and manage appropriate use of psychotropic medications
- The majority of states use some form of managed care to deliver Medicaid to children in foster care

Data Sharing

- Child welfare rules require state child welfare agencies to share medical information about children in foster care with Medicaid
- Federal Medicaid rules allow, but do not require, state Medicaid agencies to share beneficiary information with other agencies unless it is for a purpose related to administration of the state plan



Challenges and Considerations for Foster Care

Collaboration and Coordination Between Medicaid and Child Welfare Agencies

- Interviewees noted that cross-agency collaboration and coordination on policy, data sharing, and new program implementation is important, but difficult to achieve
- Inconsistent interpretation about which data can be shared leads to limited data sharing between the state Medicaid and child welfare agencies

Factors that Affect Children in Foster Care

- Placement in foster care itself, and subsequent disruptions in placement, negatively affect children's behavioral health and their access to consistent care
- Health care experts note that children in foster care should receive trauma-informed mental health care
- State Medicaid and child welfare agency officials described the difficulty of ensuring timely access to behavioral and oral health care due to provider shortages

Specialty Managed Care

- Nearly one-third of states use specialized managed care organizations (MCOs) to exclusively serve children and youth in the child welfare system, including those in foster care
 - States can identify and address gaps in health services when all children in foster care are enrolled in one MCO
 - Specialized MCOs' quality improvement activities focus on youth in the child welfare system
- Stakeholders stressed the importance of effective collaboration between state Medicaid and child welfare agencies and MCOs
- State officials noted that specialized MCOs reduce administrative burden on state agencies



Next Steps

Next Steps

- Commissioner feedback on draft chapter
- Chapter to be published in March 2026
- Staff will begin the next phase of child welfare and Medicaid work, which will focus on the use of managed care for children in foster care, including specialty managed care organizations

September 19, 2025

Access to Care for Medicaid-Enrolled Youth in Foster Care

Draft chapter for March report

Audrey Nuamah



Medicaid and CHIP Payment and Access Commission

SEPTEMBER MEETING



www.macpac.gov