

April 10, 2026

Access to Intensive Community-Based Behavioral Health Services

Findings from the federal and state policy review

Holly Saltrelli and Linn Jennings



Medicaid and CHIP Payment and Access Commission

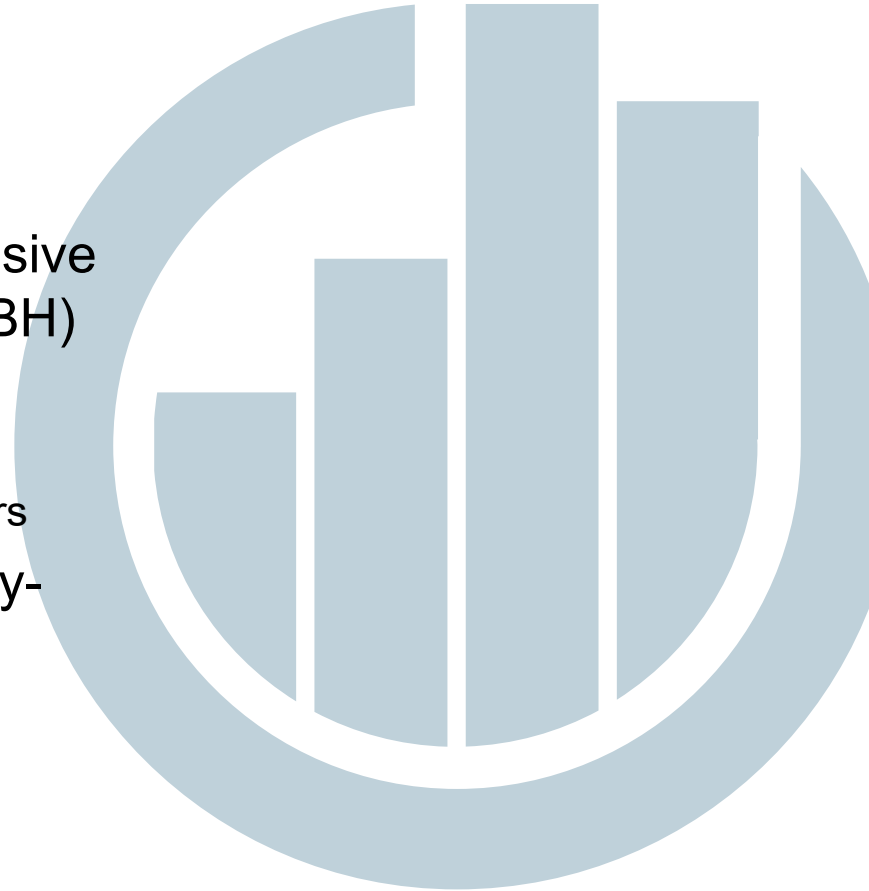
Connect with us on



www.macpac.gov

Overview

- Background
- Federal authorities for delivering intensive community-based behavioral health (BH) services
 - Medicaid BH benefits
 - State plan amendments (SPAs) and waivers
- State coverage of intensive community-based BH services



The background features a dark blue gradient with several overlapping, semi-transparent shapes in lighter shades of blue and white. These shapes include a large white circle on the left, a vertical white bar in the center, and various blue and white curved and rectangular forms that create a layered, geometric effect.

Background

Background

- Since 2009, the proportion of high school students reporting persistent feelings of sadness or hopelessness increased by over 40 percent
- About 16 percent (age 12-18) received mental health services in 2022, and the most common mental health diagnoses for children were anxiety disorders, conduct disorders, and depressive disorders
- MACPAC's June 2021 Report to Congress describes how Medicaid-covered youth with significant mental health conditions often experience challenges with accessing BH services and report higher rates of residential treatment than those who are privately insured
- Lack of coordination among multiple agencies, Medicaid coverage policies, and understaffing and workforce constraints contribute to access challenges

MACPAC Children and Youth BH Work

- Phase 1: Appropriate access to residential treatment
 - Resulted in a June 2025 Report to Congress chapter and forthcoming June 2026 chapter and recommendations
- Phase 2 (current project): Access to intensive community-based BH services
 - Examining existing federal policy levers and state approaches for supporting children and youth with complex BH needs to remain in the community, and whether there are access or coverage barriers that can be addressed with policy
- Phase 3 (under development): Quality and safety of residential treatment

Federal Requirements

- Federal laws and regulations are in place to ensure access to appropriate BH services in the least restrictive setting for Medicaid children and youth (e.g., Americans with Disabilities Act of 1990, *Olmstead v. LC*)
- All children up to age 21 enrolled in Medicaid through the categorically needy pathway are entitled to services under the Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) requirement
 - States must provide access to any Medicaid-coverable service, including intensive community-based BH services, in any amount that is medically necessary, regardless of whether the service is covered in the state plan

Intensive Community-Based BH Services

- Access to services across the BH continuum improves clinical and functional outcomes, prevents out-of-home placements, and reduces involvement with the child welfare and juvenile justice systems
- 2013 joint guidance from Centers for Medicare & Medicaid Services (CMS) and the Substance Abuse and Mental Health Services Administration (SAMHSA) describes key BH-related HCBS that had been shown to improve health outcomes for children and prevent out-of-home placement
 - Services included: intensive care coordination (sometimes called wraparound service planning/facilitation), family and youth peer support services, intensive in-home services, respite care, and mobile crisis response and stabilization

Project Services

Service	Definition
Intensive care coordination (ICC) and targeted case management (TCM)	Care coordination approaches for youth with serious emotional or behavioral challenges. ICC coordinates services across systems (e.g., mental health, education, child welfare, juvenile justice) to support the whole family; TCM provides individualized support to help youth and families access and managed BH and related services
High-fidelity wraparound (HFW)	Evidence-based, youth- and family-driven care planning process that assembles a team of professionals and natural supports to develop a highly individualized care plan for youth with complex BH needs
Mobile crisis response	Rapid-response services delivered by a mobile team to the beneficiary's location (e.g., home, school, community) to de-escalate BH crises, prevent unnecessary out-of-home placements, and connect families to ongoing care, including through 24/7 regional or statewide call centers
Crisis stabilization	Short-term intensive support for beneficiaries experiencing a BH crisis, delivered in a structured, non-hospital setting to stabilize the situation and avoid hospitalization or institutionalization
Respite	Temporary supportive care or relief services that are provided to families and caregivers to reduce stress and prevent crises or out-of-home placements

Source: MACPAC analysis of CMS guidance 2024, 2018, 2013.



Federal Authorities for Delivering Intensive Community-Based BH Services

Medicaid Behavioral Health Benefits

- Medicaid's mandatory and optional benefits for adults and children under age 21 include BH services
- States make policy decisions regarding their program's BH benefits within federal requirements to meet their state-specific needs
- States may choose to provide coverage for intensive community-based BH services through optional benefit categories
- Under EPSDT, states must provide coverage for these services to Medicaid-enrolled youth under 21 if the services are deemed medically necessary, including without a formal diagnosis of serious emotional disturbance (SED)

SPAs and Waivers

- States use different optional state plan authorities and waivers to cover intensive community-based BH services depending on their policy goals, population needs, and program structures
- Each waiver authority has different requirements for geography (e.g., statewideness), diagnostic eligibility criteria, and whether enrollment caps can be used
- States can use state plan and waiver authorities to deliver the study services within non-restrictive settings

Non-Medicaid Federal Authorities

- States also use non-Medicaid authorities to fund and support access to intensive community-based BH services for children and youth:
 - American Rescue Plan Act (ARPA) funding: enhanced federal medical assistance percentage (FMAP) for qualifying mobile crisis services through March 2027
 - Certified Community Behavioral Health Clinic demonstration: includes 24/7 crisis services, TCM, and care coordination. Codified as an optional state plan benefit in 2024
- Other federal funds support a mental health system of care that may not fund Medicaid enrollees directly, but Medicaid enrollees benefit from the investment
 - Title IV-E of the Social Security Act: authorizes preventive and supportive BH services for children with SED or at risk of foster care placement, but Medicaid remains the payor of last resort for services for youth in foster care
 - SAMHSA Mental Health Block Grants: funding that must be used within the year of award to build and enhance infrastructure of state public health systems. Should only be used to cover services not covered by Medicaid or other insurers



State Coverage of Intensive Community- Based BH Services

State Policy Scan

- Reviewed state policy documents from 14 states to assess how they have used one or more existing Medicaid authorities (e.g., SPAs, 1915(c) HCBS waivers) to cover the five project-defined intensive community-based BH services

ICC and TCM

- Several states cover a range of care coordination and case management services through SPAs and waivers, with varying service definitions and populations covered
 - ICC: Most states provide these services for those who need more fully integrated care teams who can provide a wide range of treatment and support services, including crisis stabilization, support and advocacy services, and linking the individual to needed specialized services
 - TCM: Several states provide case management to children and youth who need an individualized care plan and additional access to medical, social, and educational services that are not otherwise covered under the state plan

High-Fidelity Wraparound

- Some states cover HFW or other wraparound approaches through 1115 demonstrations or 1915(c) HCBS waivers, primarily targeting children and youth with specific BH diagnoses or who are at risk for developing a psychiatric condition
 - One state uses a Section 1115 demonstration and 1947 SPA to provide a wide-range of community-based BH services, including HFW services to children and youth under age 21 who are at risk of developing a psychiatric condition
 - One state provides three tiers of care coordination through concurrent 1915(c) and 1915(b) HCBS waiver; the highest BH need tier receives ICC using a HFW approach
 - Some states cover wraparound care planning and facilitation through 1915(c) HCBS waivers, targeting these services for children and youth with specific diagnoses and who meet the hospital level of care

Mobile Crisis Response

- Many reviewed states cover mobile crisis services through waivers and SPAs as either standalone services or as part of a broader approach to crisis intervention (e.g., developing a risk management and safety plan, facilitating care coordination with BH providers)
- States use different approaches to covering these services, targeting specific populations based on diagnosis, age, and regions of the state
 - One state covers these services through a 1915(c) HCBS waiver for children and youth who meet the hospital level of care and had a mental or behavioral health diagnosis in the past year
 - Two states provide statewide 24-hour mobile crisis services through SPAs to a broader population of children and youth

Crisis Stabilization

- Several reviewed states use a wide-range of authorities to cover crisis stabilization as part of their crisis intervention services with the goal of de-escalating acute crisis and reducing the risk of inpatient hospitalization
 - Some states define these services as short-term interventions that are only available for up to 24 hours, whereas some states are less prescriptive about the length of time that these services can be provided
- One state uses an 1115 demonstration to cover diversionary behavioral health services, including mobile crisis response and crisis stabilization services
- Two states provide a wide range of community-based crisis services to children and youth under 21 who have acute BH needs through a section 1947 SPA

Respite

- Several states cover respite care for families and caregivers through 1915(c) HCBS waivers or 1915(i) SPAs
 - States vary in how they define these services, where they can be provided, and whether they are only provided as a result of a crisis intervention
- Two reviewed states cover planned short-term respite care under a 1915(c) HCBS waiver for families and caregivers of children and youth with specific BH diagnoses and who meet a hospital level of care
- Several states cover in- and out-of-home respite through a 1915(i) SPA for primary caregivers of children and youth with complex BH needs or co-occurring mental health and substance use disorders

Summary of Findings

- States are afforded extensive flexibility in covering these five intensive community-based BH services, including:
 - Which services to cover
 - How they define the services and who can provide them
 - Eligibility criteria, including limiting the population and geography
- There are many state approaches to covering these services
 - Some cover all five services through a combination of SPAs and waivers, whereas some only cover one service
 - Some are very prescriptive in defining services and the level of training or certification required to provide them
 - Some cover one or more of these services for a broad population of children and youth with behavioral health needs, while some cover these services for a targeted population only (e.g., SED diagnosis, state-defined level of care, etc.)

Next Steps

- This spring and summer, staff will conduct stakeholder interviews
- Staff will return in the fall to present these findings
- Commissioner questions:
 - What implications may arise from states having flexibility in determining which of these intensive community-based BH services to cover?
 - Are there any considerations around these flexibilities that Commissioners would flag for additional exploration?

April 10, 2026

Access to Intensive Community-Based Behavioral Health Services

Findings from the federal and state policy review

Holly Saltrelli and Linn Jennings



Medicaid and CHIP Payment and Access Commission



www.macpac.gov