

CONSOLIDATED APPROPRIATIONS ACT, 2023

SEPTEMBER 18, 2025

INMATES OF A PUBLIC INSTITUTION – FEDERAL DEFINITIONS

- ❖ Federal Medicaid regulations at 42 CFR 435.1010 define an inmate of a public institution as “a person living in a public institution” and define a public institution as “an institution that is the responsibility of a governmental unit or over which a governmental unit exercises administrative control.”
- ❖ A correctional institution is considered a public institution and may include state or federal prisons, local jails, tribal jails, and detention facilities.
- ❖ An individual of any age is considered an inmate if the individual is in custody and held involuntarily through the operation of law enforcement authorities in a public institution.

MEDICAID INMATES OF A PUBLIC INSTITUTION FEDERAL PAYMENT EXCLUSION

- ❖ Individuals held involuntarily in a public institution may be eligible for and enrolled in Medicaid, but federal Medicaid funds may not be used to pay for services for such individuals while incarcerated.
- ❖ Payment exclusion does not apply to inpatient hospital

INCARCERATED CHILDREN AND YOUTH

Incarcerated children and youth are more likely to:

- ❖ Have an untreated health or behavioral health need
- ❖ Be at higher risk for having experienced sexual and physical abuse
- ❖ Experience suicidal ideations
- ❖ Be involved with the foster care system and adult justice system

MEDICAID AND INCARCERATION BACKGROUND

Increasing federal interest in improving health care transitions for justice-involved individuals of all ages as they reenter the community:

Section 5032 of the SUPPORT Act of 2018: ▫

- ❖ Directed Secretary of HHS to develop best practices
- ❖ Required the issuance a State Medicaid Director letter (SMDL) based on those best practices to inform the design of a section 1115 demonstration opportunity.

Section 1001 of the SUPPORT Act of 2018: ▫

- ❖ Amended section 1902(a) of the Social Security Act (the Act), to prohibit states from terminating Medicaid eligibility for “eligible juveniles” who become inmates of public institutions on or after October 24, 2019, due to their incarceration. CMS issued an SMDL on January 19, 2021. States suspend coverage instead of terminating it.

CONSOLIDATED APPROPRIATIONS ACT OF 2023

- ❖ Section 5121: Mandatory requirement to provide targeted case management (TCM) and screening and diagnostic services to children and youth post-adjudication

CAA SECTION 5121

Centers for Medicare & Medicaid Services (CMS)
Guidance:

[State Health Official \(SHO\) Letter #24-004 – July 23, 2024](https://www.medicare.gov/federal-policy-guidance/downloads/sho24004.pdf)
(<https://www.medicare.gov/federal-policy-guidance/downloads/sho24004.pdf>)

SECTION 5121 ELIGIBLE INDIVIDUALS

Eligible population includes children and youth who are:

- Enrolled in Medicaid or CHIP
- Under 21 years of age or between the ages of 18 and 26 under the mandatory former foster care eligibility group
- Being held in a carceral facility post-adjudication (coverage does not apply to youth being held pre-adjudication or pre-trial.)

SECTION 5121 REQUIREMENTS

Section 5121 requires state Medicaid programs to **have a plan in place** (operational plan) to cover the following for an **eligible juvenile who is within 30 days of their scheduled release date** from a public institution following adjudication:

- ❖ Screening and Diagnostic Services
- ❖ Targeted Case Management Services (TCM)

SECTION 5121 SCREENING AND DIAGNOSTIC SERVICES

In the **30 days prior to release, or not later than one week or as soon as practicable after release**, any screenings and diagnostic services which meet reasonable standards of medical and dental practice, as determined medically necessary by the state, but at a minimum adhere to Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) requirements.

Screening services include:

- ❖ Comprehensive health, development history, behavioral and unclothed physical examinations
- ❖ Appropriate vision, hearing, and lab testing
- ❖ Dental screening services
- ❖ Diagnostic services that include diagnosis of defects in vision, hearing, dental, behavioral and immunizations

SECTION 5121 TARGETED CASE MANAGEMENT (TCM)

In the **30 days prior to release and for at least 30 days following release**, TCM services including referrals to appropriate care and services available in the geographic region of the home or residence for the eligible juvenile, where feasible

TCM is defined as:

- ❖ Comprehensive needs assessments (health, behavioral health, health-related social needs)
- ❖ Development of a person-centered care plan, including social, educational, and other underlying needs
- ❖ Referrals and related activities (e.g., appointment scheduling) to link individuals to needed services in the community
- ❖ Monitoring and follow-up activities (e.g., follow-up with service providers) to ensure the care plan is implemented

SECTION 5121 PROVIDERS

- ❖ States may choose to use carceral and/or community-based health care providers for pre-release services
- ❖ If using carceral providers must provide a warm handoff to community-based providers prior to release
- ❖ All providers must comply with provider participation and enrollment requirements

SECTION 5121 SETTINGS

All types of correctional facilities where eligible children and youth are incarcerated **post adjudication** including:

- ❖ Juvenile detention and youth correctional facilities
- ❖ County and local jails that may house eligible children and youth
- ❖ Tribal jails and prisons
- ❖ State prisons
- ❖ Federal prisons

SECTION 5121 OPERATIONAL PLAN

CMS expects states to develop an operational plan that includes:

- ❖ Actions for establishing an operational system and updates to perform functions such as exchanging data;
- ❖ Procedures for eligibility, enrollment, notifications, and claims processing;
- ❖ Processes to ensure timeliest possible provision of screening and diagnostic services if they cannot be covered prior to release;
- ❖ Policies, procedures, and processes to ensure pre-release services do not effectuate delay in release or lead to increased involvement in the justice system;

SECTION 5121 OPERATIONAL PLAN (cont.)

- ❖ Written staff-level operational policies and procedures where workflows are impacted by the new requirements;
- ❖ Provider and beneficiary-level processes, procedures, policies, and systems related to accessing services impacted by the new requirements;
- ❖ Training, education, and outreach actions; and
- ❖ Integration with current operations, such as disaster planning and continuity of operations, hearings and appeals, beneficiary notices, and other activities associated with program administration

MO HEALTHNET DIVISION

Upcoming:

Meet with external stakeholders

Identify facilities where adjudicated juveniles are located

Contract for project management

Determine facility participation

Develop operational protocol

Establish data sharing agreements

Complete state plan amendment

DISCUSSION & QUESTIONS

- ❖ Open discussion
- ❖ Questions