

Section 12

EARLY AND PERIODIC SCREENING, DIAGNOSTIC, AND TREATMENT (EPSDT)



EPSDT: A Brief History

Congress established the Medicaid program as Title XIX of the Social Security Act in 1965 to provide medical care to children living in poverty who had no other options for paying for health services. In most states, children with disabilities who receive Supplemental Security Income (SSI) are also eligible for Medicaid. (For more background about Medicaid, see [Section 2 – The Basics: What are Medicaid and CHIP?](#)) Medicaid is an important source of coverage for all children, especially children with special health care needs (CSHCN). Almost 50% of CSHCN rely on publicly funded health care coverage.⁹² In 1967, Medicaid was amended to include the EPSDT benefit because many military draftees and children in Head Start were first being diagnosed with disabilities or chronic conditions that could have been prevented or identified earlier with regular health screenings (the Early and Periodic part of EPSDT).⁹³ EPSDT is the first entitlement to child health services in the United States. Reconciliation Act of 1989 (OBRA '89) expanded EPSDT to ensure that children with mental and developmental disabilities in all states receive coverage of the services to which they are entitled under the benefit.⁹⁴

What is EPSDT?

As discussed in [Section 5 \(Covered Services\)](#), every Medicaid program must provide the Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) benefit. This federally mandated benefit ensures that all children younger than 21 years old who are enrolled in Medicaid receive preventive screenings and comprehensive health services in the amount, scope, and duration they need to develop and thrive.

In 1967, Medicaid was amended to include the EPSDT benefit because many military draftees and children in Head Start were first being diagnosed with disabilities or chronic conditions that could have been prevented or identified earlier with regular health screenings (the Early and Periodic part of EPSDT).⁹³ EPSDT is the first entitlement to child health services in the United States.

⁹²National Survey of Children's Health. NS-CH 2016. Data query from the Child and Adolescent Health Measurement Initiative, Data Resource Center for Child and Adolescent Health website. Retrieved September 13, 2017 <http://www.childhealthdata.org/browse/survey/results?q=4562&r=1&g=638>. A Catalyst Center calculation based on preliminary NS-CH data. The calculation was performed using the population estimate of CSHCN with public insurance (n=5,739,375) and the population estimate of CSHCN with public and private insurance (n=1,049,865), divided by the estimate of the total CSHCN population (n=13,901,999).

⁹³The Commonwealth Fund. (2005). EPSDT: An overview. Washington, DC: The Commonwealth Fund. <http://www.commonwealthfund.org/publications/data-briefs/2005/sep/epsdt--an-overview>

⁹⁴Retrieved from <https://www.medicaid.gov/medicaid/benefits/list-of-benefits/index.html>.

EPSDT provides all medically necessary services, even if that service is not included in the state's Medicaid plan.⁹⁵ The Medicaid Act does not include a definition of medical necessity.⁹⁶ The definition varies by state,⁹⁷ but in general, medically necessary services are those that:

- Improve health or lessen the impact of a condition
- Prevent a condition
- Cure or restore health

Each state has a Medicaid state plan, which specifies the mandatory (required by federal law) and optional (services that states have decided to cover, beyond what is required by federal law) covered benefits. [Note: Adults 21 and over do not receive EPSDT. For example, dental benefits are covered for children as part of EPSDT, but are an optional service for adults. Many states do not include adult dental benefits in their Medicaid state plans.]

Regardless of how a child qualifies for Medicaid (e.g., income, disability), once eligible, the child is entitled to EPSDT and all medically necessary services are covered until he or she turns 21 years old. When the Children's Health Insurance Program (CHIP) was created in 1997, it gave states the option to add EPSDT as an optional benefit for children enrolled in CHIP. In states where children's Medicaid is expanded with CHIP funds, all children must receive EPSDT.

Because EPSDT requires state Medicaid programs to cover any service that is deemed medically necessary, each child gets the care he or she needs, whether or not the services are in the Medicaid state plan.⁹⁸ The comprehensive and individualized nature of EPSDT is particularly important for children with special health care needs (CSHCN), who, by definition, require more health care services than other children due to their complex conditions and need for specialized health care services.

Covered Services

EPSDT requires that Medicaid-eligible children receive regular, periodic screenings at age-appropriate intervals. States are required to cover certain mandatory⁹⁹ benefits in their Medicaid state plan. States may also cover optional services for adults, as well as any additional services that are deemed medically necessary for a child, even if that service is not included in the state plan. Medicaid must provide physical, mental, developmental, dental, hearing, vision, and other tests to screen for and identify potential health problems, perform follow-up diagnostic tests to rule out or confirm a health risk or diagnosis, and treat, control, correct, or reduce the identified health problems.

⁹⁵Center for Medicare and Medicaid Services. (2014). EPSDT – A Guide for States: Coverage in the Medicaid Benefit for Children and Adolescents. Washington, DC: U.S. Department of Health and Human Services. https://www.medicaid.gov/medicaid/benefits/downloads/epsdt_coverage_guide.pdf

⁹⁶NHelp. (2004). Q & A: Defining Medical Necessity. Retrieved Feb. 29, 2016 from http://www.healthlaw.org/about/staff/mara-youdelman/all-publications/qa-defining-medical-necessity#.VtRTs_krJaQ

⁹⁷Medical Necessity, retrieved on March 22, 2016 from <http://www.nashp.org/medical-necessity/>

⁹⁸The Commonwealth Fund. (2005). EPSDT: An overview. Washington, DC: The Commonwealth Fund. <http://www.commonwealthfund.org/publications/data-briefs/2005/sep/epsdt--an-overview>

⁹⁹Medicaid.gov - Benefits. Retrieved August 16, 2016 from <https://www.medicaid.gov/medicaid/benefits/list-of-benefits/index.html>

Early	Assess and identify problems as early as possible
Periodic	Check children's health status at regular, periodic, age-appropriate intervals
Screening	Provide physical, mental, developmental, dental, hearing, vision, and other screening tests to detect potential problems
Diagnosis (aka Diagnostic)	Perform diagnostic tests to follow up (rule out or confirm) when screening identifies a risk or potential problem
Treatment	Control, correct or reduce health problems found

The table below provides examples of mandatory benefits states must provide and optional benefits they can choose to provide.¹⁰⁰ As noted above, if a service is deemed medically necessary for a child, the state must provide it under the EPSDT benefit, even if it is not included in the state plan.

Mandatory Medicaid Services	Optional Medicaid Services
EPSDT	Prescribed drugs
Physician services	Clinic services
Inpatient hospital services	Physical & occupational therapy and related services
Outpatient hospital services	Speech, hearing, and language services
Family planning services and supplies	Respiratory care
Nurse midwife and certified pediatric nurse practitioner services	Dental services
Laboratory and X-ray services	Prosthetic devices
Home health services	Private duty nursing services
Services at federally qualified health centers & rural health clinics	Services in an intermediate care facility serving individuals and inpatient psychiatric services for individuals under age 21
Transportation	Case management

¹⁰⁰Medicaid.gov - Benefits. Retrieved August 16, 2017 from <https://www.medicaid.gov/medicaid/benefits/list-of-benefits/index.html>

EPSDT and Autism Services

Historically, there has been wide variation in how states provide Medicaid services to children with autism. Some states did not cover applied behavioral analysis (ABA), stating it was not an evidence-based treatment. Other states did provide ABA, but only through home- and community-based waivers, which limited the number of children who could receive services and often included other restrictions such as age and household income. In July 2014, the Centers for Medicare and Medicaid Services (CMS) issued a [Clarification of Medicaid Coverage of Services to Children with Autism](#).¹⁰¹ This document noted that ABA was one of several treatments for improving the physical and mental development of children with autism spectrum disorders. In addition, the document noted that if the services are deemed medically necessary, states must cover them under EPSDT, even if it is not included in the state plan.

EPSDT and Youth in Transition

Children enrolled in Medicaid are entitled to the EPSDT benefit until they turn 21. However, states are only required to provide Medicaid to eligible children until age 19, unless they qualify for Medicaid because they are first eligible for SSI when they turn 18, or unless the state has implemented the ACA Medicaid expansion for adults.

A separate provision of the ACA allows parents to continue to cover their young adult children on their health plans until age 26.¹⁰² Nineteen and 20-year-olds who do not have the option to be covered under their parents' health plans may qualify for Medicaid if they live in a state that expanded Medicaid and their income is less than 138% of the federal poverty level (FPL).¹⁰³ Some states, rather than expanding Medicaid, have approval from CMS to use Medicaid funds to enroll individuals in private health plans in the new Marketplaces (also known as Exchanges) created by the ACA. As these plans do not provide EPSDT, 19- and 20-year-olds with Marketplace coverage will receive EPSDT through wrap around Medicaid coverage.¹⁰⁴ [Note: Massachusetts expanded Medicaid for adults, and in an effort to ensure 19- and 20-year olds receive EPSDT, Massachusetts raised the income eligibility limit for this age group to 150% FPL. If income exceeds 150% FPL, the young adult can retain Medicaid and the EPSDT benefit by buying-in to the Medicaid program.¹⁰⁵]

¹⁰¹Clarification of Medicaid Coverage of Services to Children with Autism, retrieved March 22, 2016 from <https://www.medicaid.gov/Federal-Policy-Guidance/Downloads/CIB-07-07-14.pdf>

¹⁰²Young Adults and the Affordable Care Act https://www.cms.gov/CCIIO/Resources/Files/adult_child_fact_sheet.html

¹⁰³The language of the Affordable Care Act (ACA) set the Medicaid income eligibility limit for the Medicaid expansion population at 133% of the Federal Poverty Level (FPL), but then instructs states to disregard a standard 5% of income in calculating eligibility. Throughout the Tutorial, we use 138% of FPL to account for the 5% Modified Adjusted Gross Income (MAGI) disregard. Affordable Care Act, Section 2001(a); Health Care and Education Reconciliation Act, Pub. L. No. 111-152 Section 1004(e).

In addition to covering a broad array of health care services, EPSDT requires Medicaid programs to provide parent education regarding the EPSDT benefit. Unlike in private insurance, under EPSDT, Medicaid not only has to cover services, but also has to tell parents about the EPSDT benefit and help them access services that are covered under it, such as:

- Transportation
- Assistance with scheduling appointments
- Other assistance in accessing covered services
- Assistance in securing uncovered services, particularly those offered by state Women, Infants, and Children (WIC) and Title V programs

EPSDT and Youth Aging Out of Foster Care

The Affordable Care Act (ACA) includes a provision to extend Medicaid to children who have aged out of the foster care system until they turn 26, regardless of income. However, these young adults only receive the EPSDT benefit until they turn 21.¹⁰⁶ In addition, states do not have to extend Medicaid to youth who aged out of foster care in one state and moved to another.

EPSDT and Managed Care

Managed Care is one of the service delivery models you learned about in [Section 7](#) (Service Delivery Models: How Do States Deliver Health Care Services to Children Enrolled in Medicaid and CHIP?) of this tutorial. As of March 2017, 38 states and the District of Columbia were contracting with Managed Care Organizations (MCOs) to manage, provide or arrange for care to be provided, and coordinate the care of Medicaid enrollees.¹⁰⁷ Children enrolled in Medicaid managed care are entitled to the EPSDT benefit. EPSDT services may be provided directly by the MCO. The Medicaid agency provides any supplemental services that are not included in the MCO contract.

EPSDT and Title V

Interagency coordination is a statutory requirement for both Medicaid and Title V programs; EPSDT law requires that Medicaid reimburse Title V providers for services they deliver and the Social Security Act requires that Title V programs assist with coordination of EPSDT.¹⁰⁸ Additionally, Title V programs are required to help identify Medicaid-eligible children and they can access EPSDT funds by providing services to Medicaid-enrolled children with whom they interact.

Each state has an Interagency Agreement, which outlines the way that their Title V and Medicaid programs partner to provide medically necessary services to children enrolled in Medicaid under the EPSDT benefit.

States have flexibility with respect to the details of this relationship and can be creative in how they partner to ensure that all children, and CSHCN specifically, enrolled in Medicaid receive the EPSDT services they need to develop and thrive.

Some creative ways that Title V and Medicaid programs can form partnerships under EPSDT include:

- Medicaid reimburses Title V for services, such as care coordination, that they provide to Medicaid-enrolled children;
- Quality assurance/improvement;
- In some states, Title V and Medicaid work to streamline their data systems so they can monitor children's insurance status, other needed resources and referrals, and health outcomes ;
- While many Title V programs do not enroll children in public benefit programs, many provide important outreach and enrollment activities to make families aware of Medicaid eligibility and may even screen children for eligibility or refer them to Medicaid;

¹⁰⁴Where Does EPSDT Stand in Post-ACA Medicaid Expansion 1115 Waivers? Retrieved on March 22, 2016 from <http://ccf.georgetown.edu/all/where-does-epsdt-stand-in-post-aca-medicaid-expansion-1115-waivers/>

¹⁰⁵MassHealth: The Basics - Facts and Trends. Retrieved from <http://bluecrossmafoundation.org/publication/updated-masshealth-basics-facts-and-trends>

¹⁰⁶The Affordable Care Act and Youth Aging Out of Foster Care: New Opportunities and Strategies for Action. Retrieved from <http://www.clasp.org/resources-and-publications/publication-1/The-Affordable-Care-Act-and-Youth-Aging-Out-of-Foster-Care.pdf>

¹⁰⁷Kaiser Family Foundation, State Health Facts, Total Medicaid MCOs (March 2017). Retrieved August 15, 2017 from <http://www.kff.org/medicaid/state-indicator/total-medicaid-mcos/>

¹⁰⁸National Center for Education in Maternal and Child Health at Georgetown University. Chapter 2: A Review of Title V and Title XIX Interagency Agreements. Retrieved August 16, 2017 from https://www.ncemch.org/IAA/resources/C_State_MCH_Medicaid_Chapter2.pdf

EPSDT and Title V cont.

- Title V and Medicaid partner to create new billing codes to reimburse for nutritional supplements or streamline the prior approval process;
- And many Title V programs, such as home visiting programs, newborn screening, and early intervention conduct parent education regarding the EPSDT benefit.

This document is part of *Public Insurance Programs and Children with Special Health Care Needs: A Tutorial on the Basics of Medicaid and the Children's Health Insurance Program (CHIP)*, available in its entirety at <http://cahpp.org/resources/Medicaid-CHIP-tutorial>

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Test your knowledge

1. EPSDT is the child health benefit to all Medicaid enrollees under the age of
 - a. 12
 - b. 19
 - c. 21
 - d. 26
2. True or False: EPSDT only covers all mandatory and optional services in the Medicaid State Plan.
3. True or False: Children enrolled in Medicaid managed care do not receive EPSDT.
4. Name two ways Title V and Medicaid can partner to ensure access to EPSDT for CSHCN.



Find Out in Your State

1. Has your state established a definition for medical necessity that is specific to children?
2. Does your Title V program access EPSDT in providing services to Medicaid enrolled children who interact with Title V?
3. Does your state enroll CSHCN in managed care?

1. C 2. False 3. False 4. Reimbursement for services provided by Title V to Medicaid enrolled children; Data monitoring and sharing; Outreach and enrollment efforts; Care coordination; Consult about medical necessity determinations