



Mandated Report: Therapeutic Foster Care



Medicaid and CHIP Payment and Access Commission

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Overview

- Congressional request
- Medicaid's role for children in child welfare
- Overview of therapeutic foster care
- State practices
- Questions to consider

Congressional Request

- House Committee on Appropriations request
- MACPAC to examine therapeutic foster care (TFC):
 - Conduct a review for the development of an operational TFC definition
 - Examine the advantages of a uniform definition
 - Outline a list of potential services to treat mental illness and trauma

Medicaid's Role for Children in Child Welfare

- Majority of child welfare-involved children and youth are eligible for Medicaid
- They often have significant health, behavioral, and other social needs, which Medicaid-covered services may help address
- Due to their high health needs and service use, they account for a disproportionate share of spending

Overview of Therapeutic Foster Care

- There is no uniform definition of TFC in either federal statute or regulation, but generally refers to the practice of serving children with serious emotional, behavioral, or medical conditions in a family-based setting
- All states offer some form of TFC, but programs vary widely in terms of children served, benefits provided, and whether services are paid by Medicaid

State Practices

- Federal child welfare funds (under Title IV-E) are typically used to pay for living expenses, such as room and board, administrative costs, and recruitment and training of foster parents
- Medicaid funds are often used to pay for the clinical aspects of TFC, with a variety of approaches:
 - Rehabilitation
 - Targeted case management
 - Behavioral health
 - Home- and community-based services waivers

Questions to Consider

- Would a uniform definition result in consistency across states? How would such a change affect state flexibility?
 - Existing variation reflects the needs of enrollees and state decisions regarding available resources
 - Defining the benefit could ease administration
 - A statutory benefit has implications for the early and periodic screening, diagnostic, and treatment (EPSDT) benefit

Questions to Consider

- Would a uniform definition address some of the state challenges with implementing TFC?
 - State difficulties include recruiting and training caregivers, ensuring delivery of quality, evidence-based services, and securing adequate funding
 - Stakeholders supporting a universal definition view it as a means to improve the quality, consistency, and professionalism of TFC services



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