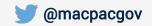


## Mandated Report: Therapeutic Foster Care

Medicaid and CHIP Payment and Access Commission

Martha Heberlein



#### **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, evidencebased 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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