

The Value of Medicaid Funded Evidence-Based Practices

Evidence-based practices (EBPs) are increasingly used by child welfare agencies in order to effectively meet the needs of the children and families they serve; however, EBPs can require significant financial resources. Agencies may be able to utilize Medicaid as a potential path for reimbursing services. Medicaid provides a federal match for reimbursement of 50 cents on the dollar for every dollar spent (in some states the match rate is higher). Furthermore, EBPs are well-developed models that have a high level of detail on their services that can satisfy the federal and state Medicaid agency requirements.

Obtaining Medicaid Approval for New Services

Each state's Medicaid agency can implement new services for Medicaid reimbursement contingent upon federal approval. The approval process can be lengthy and not all EBPs are guaranteed to be approved, but an understanding of the process and mechanisms is helpful in approaching Medicaid reimbursement. There are several common methods for implementing new Medicaid services:

- 1) A State Plan is an agreement between the state's Medicaid agency and the federal government on the details of the state's Medicaid profile and services, and a **State Plan Amendment (SPA)** is one way to add a new service to the State Plan. Because the federal government requires detailed information to approve a new SPA, your agency should consider this when approaching your state Medicaid agency to partner in implementing a new service. This information can include the target population, service definition, provider qualifications, medical necessity criteria, service limitations, and rate methodology.



Source: Morgan Cole, MPP, Annie E. Casey Foundation, Child Welfare Strategy Group

- 2) There are several types of **waivers** that give Medicaid agencies the opportunity for putting into place new systems and new services. Waivers can offer flexibility compared to an SPA; however, waivers are generally time-limited and may have other restrictions.
- 3) Medicaid agencies can also **use pre-existing reimbursement structures** to cover new practices implemented in a state. Agencies would use pre-existing service codes that are a close fit and begin reimbursement using that structure. Pre-existing reimbursement structures can be a faster and simpler alternative to an SPA or waiver; however, there can be setbacks in the long run.

The above information comes from the webinar *Maximizing Impact: Implementing Medicaid-Reimbursed EBPs in Child Welfare*, presented by Morgan Cole, MPP (Annie E. Casey Foundation, Child Welfare Strategy Group), Shannon Fagan (Dept. of Human Services of Pennsylvania) and Ebonnie Simmons-Hall (Dept. of Human Services of Pennsylvania).

Click [here](#) to watch an archived recording of the webinar.