



Medicaid for Title IV-E and Non-Title IV-E AA

Making Medicaid Happen:
Title XIX for
Non-Title IV-E
Adoption Assistance



State-Funded Adoption Assistance

- States have the option of extending Medicaid to children receiving state-funded adoption assistance *without regard to the income of their adoptive parents.*

Cite in Federal law: Section 1902(a)(10)(ii) (VIII) of the Social Security Act



The COBRA Option

- Medicaid eligibility for state-funded adoption assistance eligible children can be through the COBRA option.
- 49 states and the District of Columbia have elected the COBRA option.
- Only New Mexico has chosen not to provide Medicaid to resident state-funded AA recipients with whom the state has an AAA.



What is the COBRA option?

- The programmatic option of providing Medicaid to children who receive state-funded adoption assistance was given to states under the Consolidated Omnibus Reconciliation Act of 1985.
- This option is known as the COBRA option, or 'COBRA' in the AA field.



COBRA Eligibility Criteria

The COBRA option has three criteria:

- 1) An existing, legally executed adoption assistance agreement between the (AA) state and an adoptive parent or parents;
- 2) A pre-existing need for special or medical rehabilitative care that the (AA) state finds would have precluded adoption absent medical assistance;
and
- 3) Before or at the time the adoption assistance agreement was executed,
 - a) (at the (AA) state's option) the child would have been eligible for medical assistance given his/her own income and resources (i.e. Title IV-E criteria used to determine payment for children in foster care rather than standards and methodologies of the (AA) state's AFDC program under Part A of Title IV)
or
 - b) the child was receiving or was eligible to receive Medicaid as either mandatory or optional categorically needy.



COBRA Reciprocity

- Some states do not provide Medicaid to children who live in the state and receive state-funded adoption assistance from *another* state. The provision of Medicaid to state-funded AA children living outside the AA state is known in the AA field as 'COBRA reciprocity' or 'reciprocity'.
- States that do provide reciprocity provide Medicaid services to children who: live in the state, receive state-funded AA from a different state, and meet COBRA eligibility criteria as determined by the AA state.



Extending Reciprocity

- States do not extend reciprocity in the same way. There is no uniform extension of reciprocity across states.
- The two most common examples of the interstate provision of Medicaid to resident state-funded AA children is provision to:
 1. All states' state-funded AA children
or
 2. ICAMA member states' state-funded children only



Reciprocity and Interstate Cases

When a child receiving state-funded AA is placed for adoption across state lines *or* permanently moves, you must know:

- o If the new state has elected the COBRA option and if state B ***has*** elected the option, then
- o If the new state offers reciprocity and if state B ***does*** offer reciprocity, then
- o How the new state extends reciprocity
Is it extended to ***the child's AA state?***



States without Reciprocity

- District of Columbia
- Hawaii
- Illinois
- Nevada
- New Hampshire
- New Mexico



Interstate Residency

- The issue in interstate cases is one of residency. The general Medicaid residency requirements apply.
- State-funded AA children do NOT have the same definition of residency that title IV-E recipients have. State-funded AA operates under the general residency definition applied under the former Aid to Families with Dependent Children (AFDC) program.
- Physical presence, intent to stay (manifest), and/or follows residency of parent(s).



Psychiatric Residential Treatment Facilities

- The special exception to residency rules given to title IV-E recipients does not apply to non-title IV-E recipients (state-funded).
- Therefore, the child ineligible for title IV-E placed in an out-of-state institution is considered a resident of the state which arranged for/made the placement, or the resident state of the adoptive parent(s) *not the state where the PRTF (school, hospital, etc.) is located.*

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