State Medicaid Obligations under Federal Law for Title IV-E Adoption Assistance

All states accepting any title IV-E funding must create and sustain a Title IV-E Adoption Assistance program, actively promote its availability, and assess eligibility for any youth known to the agency.  

- Income assessment for prospective, adoptive parents is prohibited.  
- Medicaid is mandatory for all youth found title IV-E eligible.  
- States must protect the rights of youth with special needs adopted interstate.  
- Medicaid must be provided to all title IV-E recipients living in the state. This includes youth placed interstate in a school or an inpatient, psychiatric care facility.  
- All states must provide Medicaid to age 21 to any resident who is title IV-E eligible. This includes foster care, adoption assistance and GAP recipients, whether or not the resident state includes an extension past age 18 for these populations in its Title IV-E Plan. Assistance states remain financially responsible interstate for the provision of all benefits and services listed in the assistance agreement, including Medicaid.  
- Separate, Medicaid applications for title IV-E eligibles is precluded by federal law.  
- Redetermination of title IV-E adoption assistance is precluded by federal law.  
- Medicaid eligibility redetermination is not required for title IV-E eligibles.  
- Passive redetermination of Medicaid eligibility is permitted. Title IV-E adoption assistance eligibility is presumed unless information to the contrary is confirmed.  
- Private health insurance is not a required for the receipt of Medicaid. States cannot mandate that families cover a youth on the family’s private, health insurance as a condition of Medicaid receipt.  
- Medicaid eligible youth under age 21 must receive any Medicaid service benefit found medically necessary, regardless of whether the benefit is in the resident state’s State Medicaid Plan (See EPSDT).  
- The services covered under EPSDT are limited to the category of services listed in federal law.  

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1 42 U.S.C. §§ 671(a), 673; 45 C.F.R. §§1356.40(a), (f) and ACYF-CB-PA-01-01 (1/23/01).
2 45 C.F.R. §1356.40(c).
4 42 U.S.C. §§676(b) and 42 C.F.R. §1356.40(b)(4).
5 42 U.S.C. §§673(b)(1), 1396a(10)(A)(i)(I) and (16); 42 C.F.R. §§435.145 and 435.403(g).
7 42 C.F.R. § 435.115(e) and 435.909.
9 42 U.S.C. §§673(a)(4) and 1396a (10)(A)(i)(I).
10 42 U.S.C. §673 (a)(4) and ACYF-CB-PA-01-01 (1/23/01). Note: Title IV-E adoption assistance can be terminated only if one of the following conditions is met: 1) Youth reaches the maximum age the assistance state sets for the receipt of benefits. This can be the age of 21, if the assistance state determines that the youth has a mental or physical handicap that warrants the continuation of assistance. 2) The assistance state has determined that the adoptive parents are no longer legally responsible for the support of the child; or 3) The assistance state determines that the child is no longer receiving any support from the adoptive parents. Note: Legal responsibility continues unless a termination of parental rights (TPR) is obtained against the adoptive parents. No state can suspend or terminate the receipt of adoption assistance benefits, including Medicaid, in response to a youth’s status in or outside the adoptive home.
11 42 U.S.C. §1396e(b)(2).
12 42 U.S.C. §1396d(r) and CMS; State Medicaid Manual §§ 5010, 5121, 5310.
13 42 U.S.C. §1396d(a). Note: EPSDT services include any medical or remedial care that is medically necessary to correct or ameliorate a defect, physical or mental illness, or condition [health problem].” States must accept any request for a service not included in its SMP as a request for EPSDT. Cite: CMS issuance, EPSDT Policy Instructions Update, issued January 01, 2010.
Footnotes and their corresponding links to legal citations:

1.) https://www.law.cornell.edu/uscode/text/42/671

2.) https://www.law.cornell.edu/cfr/text/45/1356.40

https://www.law.cornell.edu/cfr/text/42/435.145

4.) https://www.law.cornell.edu/uscode/text/42/675
https://www.law.cornell.edu/cfr/text/45/1356.40


https://www.law.cornell.edu/cfr/text/45/1356.40

7.) https://www.law.cornell.edu/cfr/text/42/435.115
https://www.law.cornell.edu/cfr/text/42/435.909

8.) https://www.law.cornell.edu/uscode/text/42/673


11.) https://www.law.cornell.edu/uscode/text/42/1396e

(See Chapter 5- Early and Periodic Screening)