AAICAMA receives many questions from states and families about circumstances that affect a child’s assistance agreement and/or eligibility for and receipt of Medicaid. The goal of this publication is to provide ICAMA Professionals with a library of responses to these questions and to cite the law or policy upon which the responses rely.

**Issue: Title IV-E extension past age 18 and the corresponding mandatory, Medicaid state obligation.**

**Question** Must a state that does not extend title IV-E eligibility past age 18 provide Medicaid to a resident youth from another state whose title IV-E eligibility continues past age 18?

**Answer** Yes, a state that does not extend title IV-E past age 18 must provide Medicaid to any resident, title IV-E eligible youth over 18. Medicaid eligibility is mandatory for all title IV-E categories—foster care, adoption assistance and federal guardianship (GAP). Title IV-E eligible children remain eligible for Medicaid as long as a title IV-E adoption assistance agreement is in effect or maintenance payments are being made under title IV-E foster care or IV-E guardianship. Youth remain eligible for Medicaid by virtue of their title IV-E eligibility, regardless of whether a new state of residence would extend IV-E eligibility for that youth or whether the state extends title IV-E for any youth.

Extending title IV-E past age 18 is at state option. However, providing Medicaid to all youth eligible for title IV-E is NOT a state option, it is a federal mandate.

**Discussion** Extending eligibility for federal adoption assistance past the age of 18 is optional. Some states have elected to extend their IV-E programs past the federal minimum of age 18 to age 19, 20, or 21. States can choose to extend title IV-E eligibility to age 21 based on the criteria listed in their Title IV-E plan. The state holding the adoption/guardianship assistance agreement uses their stated criteria to determine whether the youth continues for eligibility for the state of the agreement is in the state of residence. Until 2008 states were permitted to extend eligibility (to age 21) for title IV-E based on a determination that a child has a condition that ‘warrants the continuation of assistance’. The passage of Fostering Connections to Success and Increasing Adoptions Act of 2008 (Fostering Connections) gave states additional options for extending title IV-E eligibility beyond the original parameter. States may now choose to further expand the receipt of IV-E adoption/guardianship assistance to certain youth over 18 who are in an educational or employment activity or are medically unable to participate in such an activity.

The extension of eligibility is made according to the criteria elected the agreement state’s title IV-E Plan. Once this eligibility is established, a state’s Medicaid agency is obligated to provide Medicaid to all its residents who are eligible for title IV-E regardless of their age.

**Title IV-E Eligibility and Medicaid Eligibility**

Some states erroneously believe that if they end title IV-E assistance at 18 (19, or 20 under their IV-E plan), that no IV-E eligible youth in the state is eligible for Medicaid past that age. This is NOT true. Resident states cannot determine initial or on-going title IV-E eligibility for youth who hold agreements with other states. Title IV-E adoption and guardianship eligible youth are ‘mandatory,
categorically eligible’ for Medicaid and remain eligible whether or not the title IV–E agency in the new state of residence would extend their eligibility. If a youth is title IV–E eligible, they are Medicaid eligible. Period.

Note: Medicaid expenditures made on behalf of title IV–E eligible youth over the age of eighteen are reimbursable at the state’s Federal Medicaid Assistance Percentage (FMAP) rate like any other valid, Medicaid expense.

The Law in Practice

State A

• State A provides title IV–E eligibility to age 21 for youth with a handicap that the warrants continuation of assistance.

• State A, determines that an 18 year old youth meets it’s criteria for continued assistance and extends title IV–E eligibility to age 21.

State B

• State B provides title IV–E eligibility only to age 18, regardless of a youth’s mental or physical handicap and need for the extension of assistance.

• The title IV–E eligible youth from State A moves to State B at age 19.

• State B must recognize and accept State A’s determination of continued eligibility for title IV–E.

• State B’s Medicaid State Plan MUST include title IV–E eligibles in its mandatory categories of eligibility and therefore is federally obligated to provide Medicaid without regard to age while the youth remains title IV–E eligible.

• The youth must receive Medicaid from State B through the age of 21 so long as s/he remains a resident of State B and is eligible for title IV–E.

Citations and Notes:

Cite: 42 C.F.R. §§ 435.110, 435.115(e), 435.145, 435.403(g).

Note: Federal reimbursement of title IV–E program maintenance costs is the same as it is for Medicaid under a state’s Federal Medical Assistance Percentage (FMAP) rate.

Cite: 42 U.S.C. §673(a)(4); 45 C.F.R. §1356.40(b).

Note: Federal law requires a uniform application of the age extension across all title IV–E populations (foster care, adoption assistance, and kinship guardianship) by its requirement after Fostering Connections that states define the word “child” in their Title IV–E State Plan.