

## The Association of Administrators of the Interstate Compact on **Adoption** and Medical Assistance®

The Association of Administrators of the Interstate Compact on Adoption and Medical Assistance (AAICAMA, the Association) receives questions from states and adoptive families on permanency, Adoption Assistance, and Medicaid. The goal of AAICAMA’s *Practice Bulletins* is to provide responses to these questions in an easy-to-reference resource that includes discussion and cites law, regulation, and policy.

### What is EPSDT?

EPSDT is a Medicaid service. It is a mandatory, preventive, and comprehensive benefit for all Medicaid-eligible youth under age 21. EPSDT was designed to prevent or ameliorate conditions that threaten to impair the growth and development of infants, children, and adolescents. The Centers for Medicare and Medicaid Services (CMS) states that the goal of EPSDT is to “assure that individual children get the health care they need when they need it—the right care to the right child at the right time in the right setting.”<sup>1</sup>

### What do the letters “EPSDT” stand for?

EPSDT is an acronym for Early and Periodic Screening, Diagnostic, and Treatment Services (EPSDT.) It represents the following information and concepts.<sup>2</sup>

|          |                              |  |
|----------|------------------------------|--|
| <b>E</b> | <b>Early <i>and</i></b>      | The service is intended to assess the health of children early in their lives to prevent or detect disease or disability in its early stages, when it can be most effectively treated.   |
| <b>P</b> | <b>Periodic</b>              | The service is designed to assess children’s health at key developmental points in their lives, with practitioners periodically seeing the child to ensure healthy developmental progress and to identify and address any health and developmental issues.   |
| <b>S</b> | <b>Screening</b>             | Medical screening is used to gauge the health of children, determining children’s physical, emotional, and psychological health relative to their peers to determine if more medical attention is necessary.   |
| <b>D</b> | <b>Diagnostic <i>and</i></b> | A diagnosis is reached based on screening results and health practitioners specify the nature, severity, and possible cause(s) of condition(s) and identify those that require further medical attention.  |
| <b>T</b> | <b>Treatment</b>             | Treatment for an identified condition must be received when considered <i>medically necessary</i> to correct, control, or ameliorate a health condition of a Medicaid-eligible youth regardless of whether the service is included in a Medicaid State Plan. |

### What is the role of states in the EPSDT program?

States have a vital role in educating families on the benefits of EPSDT and in securing services designed to protect and preserve the health of children and youth. States must encourage access to and participation in EPSDT, inform families of the availability and benefits of preventive services, aid with scheduling appointments and transportation, and assist in using health care resources effectively and efficiently. A formal request for services under EPSDT is not required. States must assist families in finding EPSDT providers, assure that providers assess health needs using initial and regular, periodic examinations (screenings,) and connect youth with necessary treatment before health issues become more complex, their treatment costlier, and their impact more detrimental.<sup>3</sup>

<sup>1</sup> CMS Resource (2014): [EPSDT- A Guide for States: Coverage in the Medicaid Benefit for Children and Adolescents](#)

<sup>2</sup> 42 U.S.C. §1396d (r)

<sup>3</sup> CMS, *State Medicaid Manual §5124.B (EPSDT, Treatment)*

## How does EPSDT work?

EPSDT works through a process of health screenings and follow-up care. Through periodic and as-needed screenings, children are entitled to comprehensive evaluations of their general health and development—including in the areas of medical, mental health, dental, vision, hearing, and nutrition. Screenings are check-ups meant to detect or avert health problems and ensure that children receive necessary treatment as soon as possible.

Screenings may be conducted by any, qualified provider operating within the scope of their practice as well as Medicaid providers. If a health need is discovered and a service is determined to be medically necessary, EPSDT coverage for diagnostic services and treatment by a Medicaid provider is triggered. To be medically necessary, a service must correct or lessen the effects of an identified condition. All services allowable under federal, Medicaid law must be provided. A request for a service not included in a Medicaid State Plan is treated as a request for EPSDT services. Some services require prior approval and families must be fully educated as to the process necessary to secure a benefit under EPSDT.

## Why is the term “medical necessity” important?

The term “medical necessity” is important because it is used to substantiate the need for a specific, Medicaid service. When a service is mandatory under Medicaid, all states provide that service. However, if a service is optional, a state may choose whether to provide the service. States list the mandatory and optional services they provide in their Medicaid State Plans and Plans are available to the public. Securing an optional service may require meeting a state’s definition of “medical necessity” to receive the service. There is no federal definition of “medical necessity,” but Medicaid law requires that limits on states’ services cannot prevent the purpose of EPSDT from being “reasonably achieved.”<sup>4</sup> *Note that the use, role, and definition of the term “medical necessity” is involved and varies by state. See the National Academy for State Health Policy’s (NASHP) publication on defining medical necessity- its function, federal guidelines, and state definitions and policies.*

## Resources

-  See the Centers for Medicare and Medicaid Services’ (CMS) website for comprehensive Medicaid and health services information. Link: <https://www.Medicaid.gov>
-  CMS website. Link: <https://www.CMS.gov>
-  See The National Academy for State Health Policy (NASHP) for state, health resources. Link: <https://www.nashp.org>  
[State Strategies for Defining Medical Necessity for Children and Youth with Special Health Care Needs](#)

AAICAMA encourages sharing this publication with all, interested persons and invites input and suggestions from child welfare stakeholders- states, families, agencies, and NGOs. Together, we strengthen permanency.

**#Team AAICAMA**



727 15<sup>th</sup> Street NW, 12<sup>th</sup> Floor (Suite 1200)  
Washington, DC 20005  
Phone: (202) 913-3226  
Website: [www.aaicama.org](http://www.aaicama.org)



<sup>4</sup> 42 C.F.R., §§438.210 and 440.230