



DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF INSPECTOR GENERAL

WASHINGTON, DC 20201



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/s/

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SUBJECT: Recommendation Followup Memorandum Report: *CMS Needs To Do More To Improve Medicaid Children's Utilization of Preventive Screening Services*, OEI-05-13-00690

This memorandum report describes the steps that the Centers for Medicare & Medicaid Services (CMS) has taken to encourage children's participation in Medicaid's Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) screenings and to ensure that providers deliver complete medical screenings. The Office of Inspector General (OIG) issued a report in 2010 recommending improvements in both areas.

SUMMARY

Medicaid is required to provide a comprehensive and preventive child health benefit—known as the EPSDT benefit—for eligible children under the age of 21. Services provided under the EPSDT benefit are intended to screen, diagnose, and treat eligible children at early, regular intervals to avoid or minimize childhood illness. A 2010 OIG report found that children were not receiving all required EPSDT screenings. In addition, OIG also found that children who received medical screenings were not receiving all the components of a complete medical screening.

We found that CMS has taken some actions toward encouraging participation in EPSDT screenings and toward encouraging the delivery of all components of medical screenings, but that it has not fully addressed OIG's recommendations. Further, we found that children's participation in EPSDT medical screenings remained lower than established goals.

BACKGROUND

Every State Medicaid program must offer the EPSDT benefit. In 2013, 32 million children were eligible for EPSDT.¹ The EPSDT services cover four health-related areas: medical, vision, hearing, and dental.²

Each State establishes its own schedule for each type of screening. These schedules outline the frequency of each type of screening, which varies by a child's age. For medical screenings, States' schedules vary as to the number required. Typically, States require multiple medical screenings for infants and children ages 1 to 2. For children 3 or older, States typically require one medical screening every 1 to 2 years.

Unlike the other three types of screenings, medical screenings have components specifically required by statute. Complete medical screenings under the EPSDT benefit must include the following five components: (1) a comprehensive health and developmental history (including assessment of both physical and mental health development); (2) a comprehensive unclothed physical examination; (3) appropriate immunizations; (4) appropriate laboratory tests and (5) health education.³ Medical screenings are often called well-child or well-care visits.

EPSDT Reporting Requirements

The Omnibus Budget Reconciliation Act of 1989 (OBRA 1989) strengthened EPSDT by establishing State reporting requirements and mandating that the Secretary of Health and Human Services (the Secretary) set participation goals for the States.^{4 5} In response to OBRA 1989, the Secretary required annual reporting via the *Annual EPSDT Participation Report* Form CMS-416 (which we refer to as the CMS-416) and established an overall goal of 80 percent beneficiary participation in EPSDT for each State annually.⁶

The CMS-416 provides basic information on participation in EPSDT and is used to assess the effectiveness of EPSDT. States must report to CMS information about the number of children who (1) receive medical screenings, (2) are referred for corrective treatment, and (3) receive dental services. States report this information at an aggregate level and for seven different age groups. States are to report only complete medical screenings, i.e., those that include all

¹ CMS, *Annual EPSDT Participation Report Form CMS-416 (National)*, 2013. Accessed at <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Benefits/Early-and-Periodic-Screening-Diagnostic-and-Treatment.html> on June 18, 2014.

² Social Security Act, § 1905(r), 42 U.S.C. § 1396d(r). Note that where the statute refers to "screening services" in § 1905(r)(1), it is describing medical screenings. For clarity's sake, we refer to screening services as medical screenings.

³ Social Security Act, § 1905(r)(1)(B), 42 U.S.C. § 1396d(r)(B).

⁴ OBRA 1989, P.L. No. 101-239, Title VI § 6403(b)(3) (adding Social Security Act, § 1902(a)(43)(D), 42 U.S.C. § 1396a(a)(43)(D)).

⁵ OBRA 1989, P.L. No. 101-239, Title VI § 6403(c) (amending Social Security Act, § 1905(r), 42 U.S.C. § 1396d, by adding annual participation goals at the end of that section).

⁶ CMS, *State Medicaid Manual*, Pub. No. 45, § 5360(A) and (B). Beneficiary participation in medical screenings is measured using the participant ratio. This is calculated by dividing the number of eligible children receiving at least one medical screening by the number of eligible children who should receive at least one medical screening according to the screening schedules for their respective States.

five components. States are not required to report any information about vision or hearing screenings.

Quality Measures for Children’s Health Care

The Children’s Health Insurance Program Reauthorization Act of 2009 (CHIPRA) included provisions to strengthen the quality of care provided and health outcomes of children in Medicaid and the Children’s Health Insurance Program (CHIP).⁷ CHIPRA required the Secretary to create a set of children’s health care quality measures (known as the Child Core Set) for voluntary use by State Medicaid programs and CHIP.⁸ States that choose to participate submit their results to CMS. CHIPRA also required the Secretary to annually “collect, analyze, and make publicly available” the information that States report regarding these measures.⁹ The Secretary prepares a report using data available to CMS.¹⁰ Of the 24 measures that were created for the Child Core Set, 3 measures track well-child or well-care visits for 3 different age groups.

Previous OIG Report on EPSDT

A May 2010 OIG report found that children were not receiving all required EPSDT screenings.¹¹ Specifically, 76 percent of children in nine States did not receive all required medical, vision, and hearing screenings.¹² Forty-one percent of children did not receive any required medical screenings, and more than half of children did not receive any required vision or hearing screenings. In addition, OIG also found that children were not receiving *complete* medical screenings. Nearly 60 percent of children who received medical screenings lacked at least one component of a complete medical screening.

OIG made four recommendations to CMS for increasing participation in EPSDT screenings and increasing the completeness of medical screenings. See Table 1 for a complete list of OIG recommendations and CMS’s response.

⁷ CHIPRA, P.L. No. 111-3.

⁸ CHIPRA, P.L. No. 111-3, § 401(a) (adding Social Security Act § 1139A, 42 USC § 1320b-9a); 74 Fed. Reg. 68846 (Dec. 29, 2009).

⁹ Social Security Act § 1139(A)(c)(2), 42 USC § 1320b-9a(c)(2) (added by § 401(a) of CHIPRA).

¹⁰ Department of Health and Human Services (HHS), *Children’s Health Insurance Program Reauthorization Act Annual Report on the Quality of Care for Children in Medicaid and CHIP*, September 2010. Accessed at http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Quality-of-Care/Downloads/2010_Secretary_Report.pdf on August 6, 2014.

¹¹ OIG, *Most Medicaid Children in Nine States Are Not Receiving All Required Preventive Screening Services*, OEI-05-08-00520, May 2010.

¹² This report excluded dental screenings because at the time of the review, CMS was conducting a detailed review of dental screenings and services.

Table 1: OIG’s previous EPSDT-related recommendations and CMS response

OIG Recommendations	CMS Response
Require States to report vision and hearing screenings	CMS stated that it would consider this recommendation, but also said that it needed to assess the financial impact on States and the feasibility of collecting the data.
Collaborate with States and providers to develop effective strategies to encourage beneficiary participation in EPSDT screenings	Concur
Collaborate with States and providers to develop education and incentives for providers to encourage complete medical screenings	Concur
Identify and disseminate promising State practices for increasing children’s participation in EPSDT screenings and providers’ delivery of complete medical screenings	Concur

Source: OIG, *Most Medicaid Children in Nine States Are Not Receiving All Required Preventive Screening Services*, OEI-05-08-00520, May 2010.

METHODOLOGY

Scope

This review focused on the actions that CMS has taken to address OIG’s recommendations for increasing participation in EPSDT screenings and increasing the delivery of complete medical screenings. We also determined whether children’s underutilization of EPSDT services continues to be a challenge for States.

Data Collection and Analysis

To determine the actions that CMS has taken to address OIG’s recommendations, we conducted structured interviews and reviewed related documents. Specifically, we interviewed the CMS staff responsible for EPSDT and four representatives from a national workgroup that CMS created to address EPSDT issues. We asked about the actions CMS has taken since 2010 related to encouraging children’s participation in EPSDT screenings and encouraging providers to deliver all of the components of a complete medical screenings. Our interviews occurred between December 2013 and February 2014. We also reviewed documents provided by CMS or workgroup representatives, including informational bulletins, strategy guides, Web seminars, and workgroup reports.

To determine whether the underutilization of EPSDT services continues to be a challenge, we reviewed States’ CMS-416 reports from 2006–2013. We used 2006 data as the baseline for OIG’s previous review. We also reviewed the national CMS-416 reports—i.e., reports that aggregate all States’ data—from 2006–2013. Finally, we reviewed the *2013 Annual Report on the Quality of Care for Children in Medicaid and CHIP*.¹³

¹³ The 2013 report describes outcomes for the Child Core Set for fiscal year (FY) 2012. See HHS, *2013 Annual Report on the Quality of Care for Children in Medicaid and CHIP*, September 2013. Accessed at <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Quality-of-Care/Downloads/2013-Ann-Sec-Rept.pdf> on June 18, 2014.

Standards

This study was conducted in accordance with the *Quality Standards for Inspection and Evaluation* issued by the Council of the Inspectors General on Integrity and Efficiency.

RESULTS

CMS Has Taken Actions Toward Encouraging Participation in EPSDT Screenings and Encouraging the Delivery of Complete Medical Screenings

After the May 2010 OIG report, CMS convened a National EPSDT Improvement Workgroup in December 2010. CMS's goals for this workgroup were to identify the most critical areas for improvement in EPSDT, discuss steps to increase the number of children who access EPSDT services, and improve data reporting. The workgroup included State representatives, children's health providers, consumer representatives, and other stakeholders with expertise in Medicaid, children's health, and data analysis.

CMS hired a contractor in September 2011 to help the workgroup gather data about beneficiary participation in EPSDT screenings and the delivery of complete medical screenings. The contractor interviewed eight States and the District of Columbia about improving beneficiary participation in screenings and the delivery of complete medical screenings.¹⁴ For beneficiary participation in screenings, the contractor asked about States' promising practices, challenges, and lessons learned. For delivery of complete medical screenings, the contractor asked States for promising practices to improve the delivery of complete medical screenings. The contractor also held a focus group with pediatricians to gain their perspective on the delivery of complete medical screenings and any barriers they face to doing so.

CMS has disseminated strategies aimed at improving participation in EPSDT screenings. In February 2014, CMS released a strategy guide titled *Paving the Road to Good Health: Strategies for Increasing Medicaid Adolescent Well-Care Visits*.¹⁵ CMS designed this guide primarily for State Medicaid agencies. The guide presents six strategies for promoting adolescent well-care visits (i.e., medical screenings). The guide also provides examples of State and program models that use the strategies presented (i.e., best practices). The second strategy offered in the guide—to incentivize providers, adolescents, and parents to encourage preventive care—closely aligns with a suggestion made in OIG's 2010 EPSDT report.

In addition, CMS funded a new EPSDT resource page that was launched on the contractor's Web site in December 2013. The resource page provides State policymakers, Medicaid officials, and other stakeholders with State-specific information on a variety of EPSDT-related topics, including State initiatives to improve access to required screenings and treatment services for children. As of August 2014, this Web site did not include information from all States. Since December 2013, CMS and its contractor have held a series of Web seminars and roundtables to

¹⁴ The contractor interviewed these eight States: Connecticut, Illinois, Iowa, Mississippi, Nevada, New Mexico, New York, and South Dakota.

¹⁵ CMS, *Paving the Road to Good Health: Strategies for Increasing Medicaid Adolescent Well-Care Visits*, February 2014. Accessed at <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Benefits/Downloads/Paving-the-Road-to-Good-Health.pdf> on June 18, 2014.

promote the resource page, provide technical assistance, and discuss various EPSDT-related topics.

CMS has made efforts to improve the delivery of some of the components of complete medical screenings. Since January 2013, CMS has participated in an initiative named *Birth to 5: Watch Me Thrive!*, aimed at encouraging developmental and behavioral screenings in children from birth to age 5. Such screenings are part of a comprehensive health and developmental history, which is one component of a complete medical screening. The initiative is a coordinated effort across seven agencies within HHS and one agency within the Department of Education to encourage support for children, families, and their providers. CMS had a lead role in developing the screening guide for primary care providers. This initiative launched publicly in March 2014.

In addition, CMS disseminated in March 2013 an informational bulletin aimed at increasing mental health screenings. Like developmental and behavioral screenings, mental health screenings are part of a comprehensive health and developmental history. Specifically, the March 2013 bulletin addressed the prevention and early identification of mental health and substance use disorders.¹⁶ CMS developed this bulletin to inform States about resources available to help them meet the needs of children under EPSDT, specifically related to services for such disorders.

Lastly, CMS disseminated in June 2014 an EPSDT guide for States—*Coverage in the Medicaid Benefit for Children and Adolescents*—that is intended to help States, health care providers, and others to understand the scope of services that are covered under EPSDT.¹⁷ The guide did not establish new EPSDT policy but instead compiled various CMS-issued EPSDT guidance into one document. Within the guide, CMS reiterates the five components of a medical screening and provides an example of a State payment methodology that is intended to encourage providers to perform all five components.

CMS has assessed the feasibility of requiring States to report vision and hearing screenings. CMS staff reported making multiple efforts to learn about the feasibility of requiring States to report vision and hearing screenings. For instance, CMS's contractor completed a feasibility study to determine whether collecting data on vision and hearing screenings was possible. From 2010-2013, CMS staff also participated in a Federal Interagency Task Force on Children's Vision and Eye Health. As part of the task force, CMS also worked with States to assess whether it would be feasible for States to report vision screenings.

The contractor's feasibility study found that requiring States to report these screenings would not be feasible. The study found that such a requirement would burden States and that data might not be available. Separately, CMS staff indicated that one reason data might not be available is

¹⁶ CMS, *CMCS [Center for Medicaid & CHIP Services] Informational Bulletin: Prevention and Early Identification of Mental Health and Substance Use Conditions*, March 27, 2013. Accessed at <http://medicaid.gov/Federal-Policy-Guidance/Downloads/CIB-03-27-2013.pdf> on June 18, 2014.

¹⁷ CMS, *EPSDT-A Guide for States: Coverage in the Medicaid Benefit for Children and Adolescents*, June 2014. Accessed at http://www.medicicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Benefits/Downloads/EPSDT_Coverage_Guide.pdf on October 1, 2014.

that there are no standard billing codes for vision and hearing screenings for children under age 3. Without standard billing codes, States may be unable to count the number of screenings performed. Additionally, CMS staff indicated that another reason for the lack of data is that these screenings may occur in schools and therefore it is difficult to document their occurrence.

Although the contractor's study raised concerns as to the feasibility of reporting vision and hearing screenings, CMS has stated that it has plans to continue stressing the importance of these screenings. In August 2014, CMS said that it was planning to create additional Web pages focusing on vision and hearing screenings and that these pages would emphasize the importance of collecting data on these screenings and reporting the data to CMS.

Further, CMS stated that it is working with stakeholders on developing a measure regarding the quality of children's vision screenings.

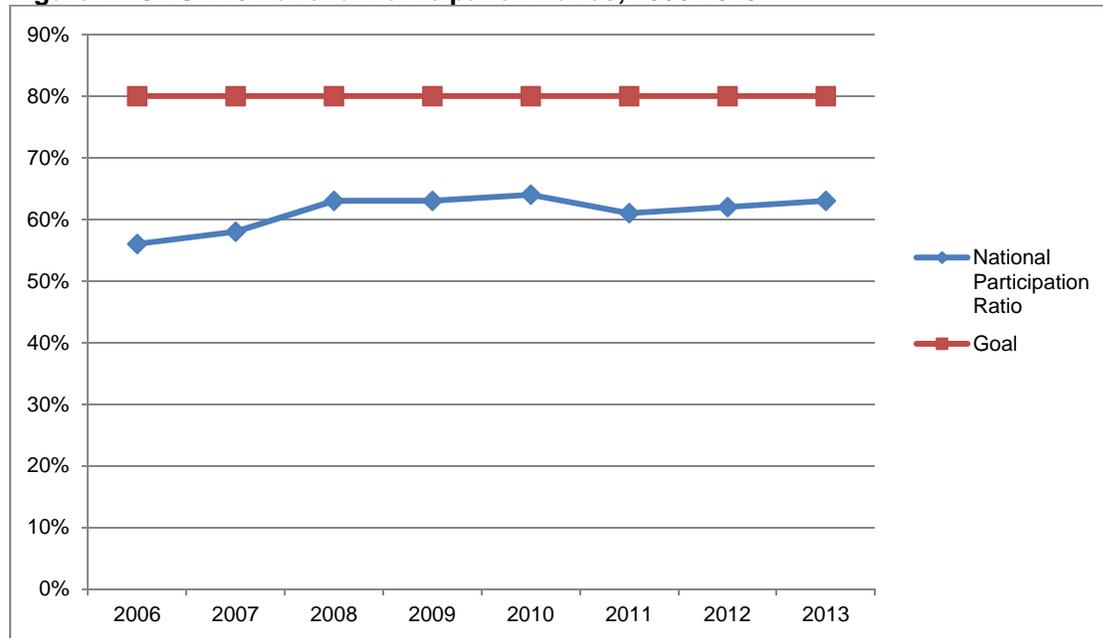
Children's Participation in EPSDT Medical Screenings Remained Lower Than Established Goals

According to the national FY 2013 CMS-416 report, overall, 63 percent of beneficiaries received EPSDT screenings during the FY.¹⁸ This is below the Secretary's goal of 80 percent participation. In fact, only two States met the Secretary's goal in 2013.

The underutilization of medical screenings is an ongoing concern, despite a slight increase in participation between 2006 and 2013. Since 2006, the States, overall, have not met the Secretary's goal. Only 8 States had 80 percent participation at least once between 2006 and 2013. The national participation ratio improved from 56 percent in 2006 to 63 percent in 2013 with most of the gain occurring between 2006 and 2008. Figure 1 demonstrates the trend in national EPSDT participation from 2006 to 2013.

¹⁸ As of June 2014, CMS-416 data were not available for eight States: Arizona, Connecticut, Florida, Maryland, Maine, Missouri, New Hampshire, and North Carolina.

Figure 1: CMS-416 National Participation Ratios, 2006-2013



Note: As of June 2014, data from 2012 were missing from Connecticut and data from 2013 were missing from Arizona, Connecticut, Florida, Maryland, Maine, Missouri, New Hampshire, and North Carolina.

Source: OIG analysis of CMS-416 reports, 2006–2013.

Three measures from the Child Core Set corroborate the CMS-416 data showing underutilization of well-child visits. Of these three measures, two—one for well-child visits during a child’s first 15 months, and the other for well-child visits from ages 3-6 years—closely align with the overall participation ratio.¹⁹ These age groups demonstrated 60 and 66 percent participation, respectively. Each measure had more than 40 States reporting. The third measure—for adolescent well-care (12-21 years)—demonstrated only 44 percent participation, with more than 40 States reporting.²⁰

CONCLUSION

Since the 2010 OIG report, CMS has taken a number of steps to encourage participation in EPSDT screenings and to encourage the completeness of medical screenings. CMS has collaborated with States and providers and promoted adolescent well-care visits. It has also promoted mental health screenings for all children and behavioral and developmental screenings for children from birth to age 5. Finally, CMS discussed an ongoing effort to stress the importance of collecting data on vision and hearing screenings and reporting these data to CMS. These efforts are in line with OIG’s recommendations.

¹⁹ The measure of well-child visits for the first 15 months is defined as the percentage of children with six or more visits. The measure of well-child visits for children aged 3–6 years is defined as the percentage with one or more visits.

²⁰ The measure of adolescent well-care is defined as the percentage of children with one or more visits.

In general, CMS's efforts to encourage participation in EPSDT screenings for particular age groups and to encourage the mental health assessment—a component of a comprehensive health and developmental history—are promising, but they do not fully address all OIG recommendations. We found no evidence that CMS has worked to encourage beneficiary participation for children of all ages, specifically children under age 12. Additionally, CMS has done very little to encourage providers to complete all five components of a complete medical screening. Further, at the time of our review it was too soon to know whether CMS's efforts would correspond to increases in beneficiary participation.

Although CMS's contractor found that it is not feasible for States to report vision and hearing screenings, CMS has indicated ongoing activities—i.e., additional Web pages and a possible measure vision screenings—that it plans to pursue through 2015. With regard to the possible measure for vision screenings, CMS has not indicated the mechanism (e.g., the CMS-416 report) through which this would be reported or whether States would be required to report it. Lastly, CMS has not indicated any effort to create a measure regarding hearing screenings.

Given that CMS has not yet fully addressed all OIG recommendations, coupled with evidence that children continue to receive fewer medical screenings than required, CMS must continue to focus on EPSDT screenings. Although a successful EPSDT benefit involves multiple actors—such as physicians, parents, and States—doing their parts, CMS's interactions with States to promote EPSDT screenings remain vital to EPSDT's success. Specifically, OIG considers all four of the recommendations from the 2010 report to remain open. We recommended that CMS: (1) require States to report vision and hearing screenings, (2) collaborate with States and providers to develop effective strategies to encourage beneficiary participation in EPSDT screenings, (3) collaborate with States and providers to develop education and incentives for providers to encourage complete medical screenings, and (4) identify and disseminate promising State practices for increasing children's participation in EPSDT screenings and increasing providers' delivery of complete medical screenings.

This report contains no new recommendations and is being issued directly in final form as a result. If you have comments or questions about this report, please provide them within 60 days. Please refer to report number OEI-05-13-00690 in all correspondence.