DEPARTMENT OF HEALTH & HUMAN SERVICES T-222

Health Care Financing Administration

Refer to: MCD-O-JLW

T-222

Region IX
75 Hawthorne Street
San Francisco, CA 94105

MEDICAID REGIONAL MEMORANDUM NO. 93 - 139

DATE: DEC 17 1993

FROM: Associate Regional Administrator
Division of Medicaid

SUBJECT: Clarifications Regarding Optional Targeted Case Management Activities Under Medicaid

TO: All Title XIX State Medicaid Agencies

In HCFA's program reviews of States' optional targeted case management services, several activities have been identified which do not meet the statutory definition of case management. Since regulations have not yet been issued which further define targeted case management, we have sought and received the following guidance from Central Office. Although the questions are presented in the context of case management services to the mentally retarded/developmentally disabled and mentally ill populations, the policy is applicable to all Medicaid populations. The clarifications are presented in question/answer format for convenience:

1. Question: May management include accompanying and staying with a client at a medical appointment and occasionally providing the transportation?

   Answer; We do not; feel that the statutory definition of: targeted case management services, found at Section 1915(g)(2) of the Social Security Act, includes physically escorting a client to scheduled appointments. In our view, escorting recipients to scheduled appointments (and staying with the client) goes beyond "assisting individuals in gaining access to needed services." However, it is permissible for a case manager to refer a client to an escort and/or transportation service.

2. Question: May case management include observing a client, and offering assistance where needed, while he/she is working, waiting for transportation, participating in an activity at psychosocial rehabilitation, or paying bills? Further, are activities of

monitoring rho client's mental status, medicine compliance, and financial goals reimbursable as case management activities?

Answer: -- All case management services provided pursuant to *Section* 1915(g) of the Act must meet the statutory definition of the service, Under Section 1915(g), FFP is available only for case management services which "assist Medicaid recipients in gaining access to needed medical, social, educational, and other services." (Emphasis added.) The term "gaining access" may include necessary fellow up or, monitoring of an individual's progress or status (which could include observing the client in various settings).

Thus, we do not believe a categorical denial generally can benade oi the services addressed *in* question #2 above. A decision must be made whether the services are for the purpose of assisting the recipient to gain access to medical, social, educational, and other services and are furnished in amounts which are reasonable given the needs and condition of the particular individual).

However, we believe monitoring financial goals goes beyond the statutory definition of targeted *case* management. In addition, if "of "assistance" means helping an individual access services, this would be acceptable. If, on the other-hand, "offering assistance" means providing the specific service such as shopping or billpaving, this would not be acceptable. Targeted case management does not include payment for the cost of the specific services needed by the individual (payment is only available for these services if they are funded by the State in its State Plan under the authority of Section 1905(a) of *the* Act) nor does it include payment for the cost of the administration of other services or programs to which a recipient is referred (e.g., educational services, juvenile services programs.)

3. Question: May case management include discussions with clients regarding such topics as his/her personal behavior, financial budget, or medication aside effects?

Answer: As discussed above, payment for case management is dictated by the nature of the activity and the purpose for which the activity is performed, It is reasonable to assume that it would be necessary for case managers to have various discussions with recipients to make assessments and reassessments of

their need for services. The necessity for, and amount of, these discussions must be determined on an individual basis.

4. Question: *May* case management include delivering bus tickets, food stamps, or money to a client?

Answer: In our view, those activities go beyond the statutory definition of case management services (i.e., assisting individuals in gaining access to needed services). Therefore, FFP would not be available for these types of activities.

We hope these clarifications will assist you in the management of your programs. If you have any questions, please contact your Medicaid State Representative.

Lawrence L. McDonough