# Former Foster Care Children Medicaid Policy Update

January 30, 2024



#### Background on Former Foster Care Children Population

- Around 20,000 young people transition out of foster care per year
- Medicaid is the primary source of health coverage for this population
- Continuity of health care coverage is critical



#### Background on Policy for Former Foster Care Children

- Under federal law, Medicaid provides coverage for qualifying youth who age out of foster care
  until they reach age 26, under the mandatory FFCC eligibility group
- However, under previous federal law, states were not mandated to cover youth when they relocate
  from the state in which they were in foster care. To cover these youth "relocators" states
  needed to apply for a Medicaid 1115 demonstration
- Until recently, to be considered eligible for the FFCC eligibility category, individuals had to meet all
  of the following criteria:
  - Are under age 26
  - o Are not eligible for or enrolled in another mandatory eligibility group
  - Were in foster care in the state in which the individual is seeking Medicaid eligibility upon attaining age 18 (or higher age of 19, 20, or 21 as the state has elected in its title IV-E plan); and
  - Were enrolled in Medicaid in such state while in foster care

Note: Unlike most other Medicaid categories, there is no income limit for the FFCC eligibility group



## Changes to Medicaid Eligibility Policy for the Former Foster Care Children (FFCC) Group

Section 1002(a) of the Substance Use Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities (SUPPORT) Act

Effective January 1, 2023, section 1002(a) of the SUPPORT Act applies the following new requirements exclusively to individuals who turn 18 on or after January 1, 2023\*:

- 1. Requires states to cover under the FFCC eligibility group individuals who aged out of foster care and were enrolled in Medicaid in a state different from the one in which they currently live. I.e., relocators who turn 18 on or after January 1, 2023, must now be covered as former foster care children
- 2. Eliminates the requirement that an individual not be eligible for another mandatory eligibility group (other than the Adult Group) to be eligible for the FFCC group



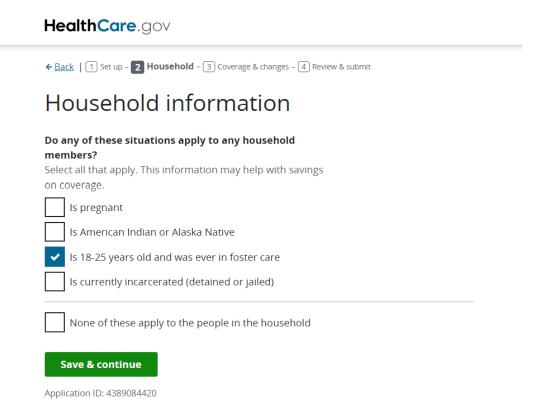
<sup>\*</sup>Individuals whose date of birth is on or after January 1, 2005.

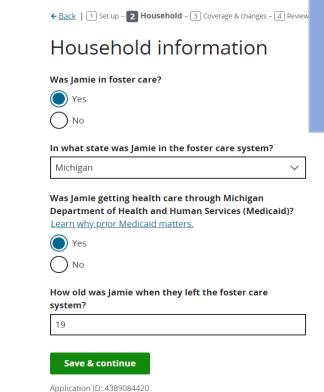
### Summary: Old vs. New FFCC Eligibility Group Requirements

Old FFCC Eligibility Group Requirements  These still apply for individuals who turned 18 before January 1, 2023	New FFCC Eligibility Group Requirements  These apply to individuals who turned 18 on or after January 1, 2023
Are under age 26	Are under age 26
Were in foster care in the state in which the individual is seeking Medicaid eligibility upon attaining age 18 (or such higher age as the state has elected in its title IV-E plan)	Were in foster care in <u>any state</u> upon attaining age 18 (or such higher age as the state where the individual was in foster care has elected)
Were enrolled in Medicaid in such state while in such foster care	Were enrolled in Medicaid in <u>any state</u> while in such foster care



#### Marketplace Implementation





These are the questions used to identify FFCC applicants on HealthCare.gov (There are no changes to the questions)



#### Marketplace Implementation\*, Cont.

Consumers turning 18 **before** 1/1/23

Consumers turning 18 on or after 1/1/23

The Marketplace eligibility application asks all applicants age 18-26 whether they were in foster care. If so, the application asks additional questions to check eligibility for the FFCC group.

The Marketplace eligibility application asks all applicants age 18-26 whether they were in foster care. If so, the application asks additional questions, to check eligibility for the FFCC group.

Marketplace application logic incorporates a <u>state option</u> for whether or not to include in the FFCC group those applicants who were in foster care in a different state from where they are currently applying for coverage (aka the "relocators")

**NEW:** As of 12/17/23, the Marketplace application logic will evaluate these consumers (aka the "relocators") as eligible for Medicaid, as long as they meet other eligibility requirements in the state, regardless of which state they were previously in foster care

\*This implementation pertains to the Marketplaces on the Federal eligibility and enrollment platform.



#### Example Eligibility Scenario



- Jaime is in foster care in Arizona and is enrolled in AZ's Medicaid program
- Jaime turned 18 on January 1, 2023. Upon aging out of foster care, Jaime moves to Michigan and applies for coverage on HealthCare.gov
- Under the original eligibility requirements for the FFCC group, Jaime would not have been eligible because Michigan does not have a Medicaid 1115 demonstration to cover FFCC "relocators."
- Now, however, Jaime is eligible for Medicaid in the FFCC eligibility group in Michigan. Since Jaime turned 18 on January 1, 2023, and was enrolled in Medicaid when they aged out of foster care, they satisfy the FFCC group eligibility requirements under the new SUPPORT Act requirements.



#### State Based Marketplace (SBM) Implementation

- SBMs should review the Center for Medicare & Medicaid Services (CMS)
   <u>guidance</u> (State Health Official Letter #22-003) and <u>slide deck</u> describing the
   new policy change and providing operational guidance
- Whether or not SBMs need to make any changes to their application and eligibility logic will depend on their state Medicaid agency's (SMA) current eligibility process and system functionality
  - If a SMA had previously selected the state option to allow former foster care children to qualify for the FFCC group regardless of the state in which they aged out of foster care, they likely do not need to make application/logic changes to accommodate the new policy change



#### Resources

- 1. CMS Guidance, State Health Official letter #22-003: Linked here
- CMS Slide Deck, "Medicaid Coverage of Youth Formerly in Foster Care Changes under Section 1002(a) of the SUPPORT Act": Linked <a href="here">here</a>

