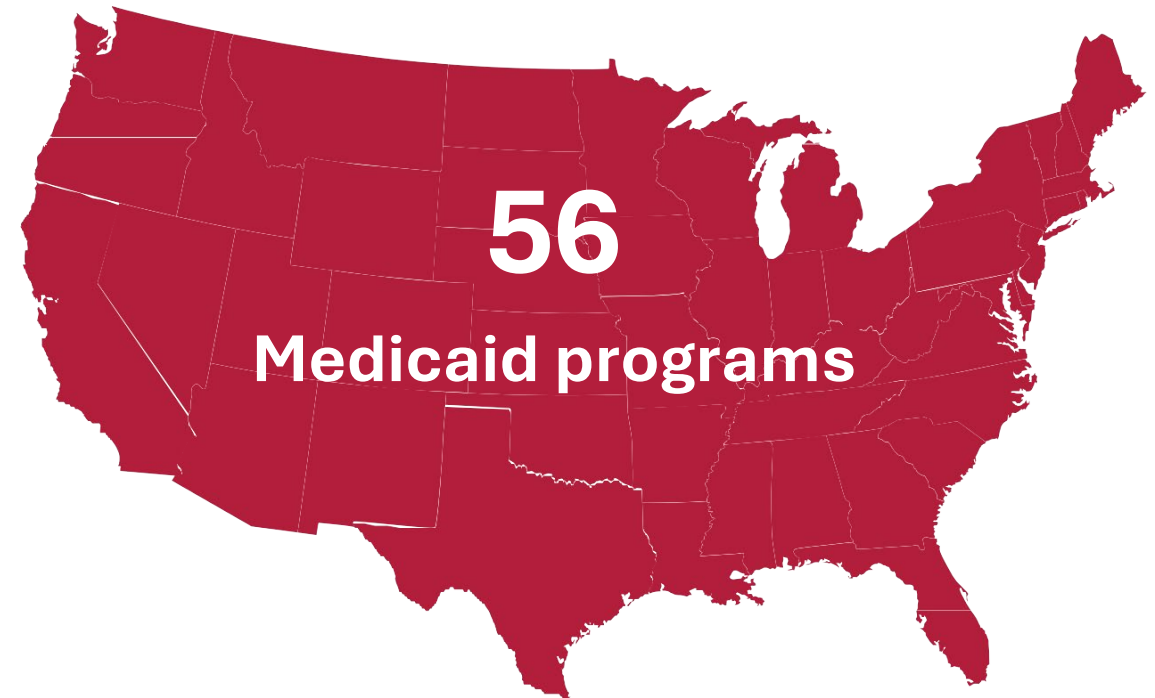


# **Implementing Medicaid Services for Young People Reentering from Incarceration**

**National Association of Counties  
December 10, 2024**

**Elevating and supporting  
Medicaid leaders so  
millions of people can  
achieve their best health.**



# Young people and incarceration

- Young people who are involved in the correctional system have **higher rates of mental health conditions**
  - Approximately two-thirds of justice-involved youth have at least one substance use-related problem
  - 90% of justice-involved youth have a history of trauma
- Incarceration during adolescence and early adulthood is associated with **worse physical and mental health outcomes in adulthood**, along with higher risk of adult incarceration

# Medicaid's role in reentry



- **Medicaid was historically not allowed to cover services for incarcerated people**
- **New policies are changing this**
  - In 2023, CMS announced a Section 1115 waiver opportunity to provide up to 90 days pre-release coverage (11 states approved; 15 states pending)
  - As of January 1, 2025, all states required to provide certain services to incarcerated young people
- **Early research suggests Medicaid coverage improves outcomes**
  - Medicaid coverage during reentry associated with higher utilization of health care services, increased employment, and declines in reincarceration (Burns & Dague, 2023)
  - Medicaid coverage as a young person associated with lower rates of crime and incarceration (Jacome, 2023; Arenberg, Neller, and Stripling, 2024)

# Consolidated Appropriations Act of 2023



- **Includes two provisions that impact Medicaid/CHIP services for incarcerated young people**
  - Effective dates of January 1, 2025
- **Section 5121 is mandatory**
  - Applies to **Medicaid/CHIP-eligible juveniles** who are **post-adjudication**
  - States must provide **screening and diagnostic services** (in accordance with EPSDT or other state-identified standards) in the 30 days prior to release or within one week or as soon as practicable post release and **targeted case management** 30 days prior to release and for at least 30 days post release
- **Section 5122 is optional**
  - States have option to provide all Medicaid and CHIP services to eligible juveniles who are pre-adjudication

**Adjudication**

**PRE-ADJUDICATON**  
Jail, juvenile detention, etc.

**POST-ADJUDICATION**  
Jail, state prison,  
juvenile correctional setting, etc.

**Release**

**POST-RELEASE**  
In the community

Adjudication

Option: all Medicaid and CHIP-covered services



PRE-ADJUDICATION  
Jail, juvenile detention, etc.

Under Section 5122, states have the **option** to provide all Medicaid and CHIP-covered services to eligible juveniles pre-adjudication.

POST-ADJUDICATION  
Jail, state prison,  
juvenile correctional setting, etc.

Release

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In the community

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Option: all Medicaid and CHIP-covered services



**PRE-ADJUDICATION**  
Jail, juvenile detention, etc.

Under Section 5122, states have the **option** to provide all Medicaid and CHIP-covered services to eligible juveniles pre-adjudication.

**POST-ADJUDICATION**  
Jail, state prison,  
juvenile correctional setting, etc.

Under Section 5121, states are **required** to provide case management and certain screening and diagnostic services to eligible juveniles who are post-adjudication and 30 days pre-release.

Release

Required targeted case management: 30 days pre-release and 30 days post-release



Required screening and diagnostic services: 30 days pre-release or within one week or as soon as practicable post-release



**POST-RELEASE**  
In the community

Under Section 5121, states are **required** to provide referrals to providers in the eligible juvenile's community, where feasible.



- The **Center for Medicaid & CHIP Services (CMCS)**, under the Centers for Medicare & Medicaid Services (CMS), is the federal agency that regulates state Medicaid agencies.
- CMCS released guidance in July on Sections 5121 and 5122:
  - **Eligible juvenile** is defined as an individual under age 21 who was determined eligible for Medicaid/CHIP or an individual up to age 26 in the former foster care group
  - Section 5121 applies to **all types of carceral facilities**, including state prisons, local jails, Tribal jails and prisons, and juvenile detention and youth correctional facilities
  - States can use **community-based providers or carceral health providers**

- The guidance also explains what Medicaid agencies must have in place by the January 1, 2025, effective date:
  - **Must have an “internal operational plan” in place by January 1, 2025,** that details how they will implement the required services under Section 5121
  - **Must submit “state plan amendments” for Medicaid and CHIP services with effective dates of January 1, 2025**
    - A state plan amendment (SPA) is the formal approval process for providing new Medicaid or CHIP services.

# What do Medicaid agencies need to have in place by January 1?



- CMCS is using a state plan amendment framework that **seeks to give Medicaid agencies additional time to implement Section 5121.**
- This framework will categorize states as:
  - **Fully ready:** Every correctional facility will be delivering and claiming for the required services on January 1.
  - **Partially ready:** Some correctional facilities will be delivering the required services on January 1, services are being delivered by Medicaid-enrolled providers but they are not yet claiming for reimbursement, etc.
  - **Not ready:** Not prepared to operationalize in any facility on January 1.
- **Medicaid agencies are currently meeting with CMCS to discuss their implementation plans.**

# What are Medicaid agencies working on now?

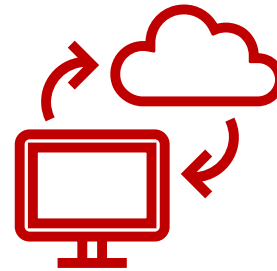
- **Planning for Section 5121 implementation**, including meeting with correctional facilities and providers, deciding which services will be included, identifying provider types and modalities, and setting up data exchanges
- **Making decisions about other optional services**, including Section 5122 services and 1115 reentry waivers
- **Developing internal operational plans** that detail how they will implement Section 5121
- **Meeting with CMCS** to land their state plan amendment pathway

 **Section 5121 implementation will look different across states**

# Key operational priorities



**Building  
partnerships with  
correctional  
facilities and  
stakeholders**



**Creating data  
exchange systems  
between Medicaid  
and corrections to  
share eligibility and  
release date data**



**Identifying  
providers, enrolling  
them in Medicaid,  
and setting up  
reimbursement  
systems**

**Thank you!**



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