

Nurse Home Visitation Medicaid Option

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What it Means for Children and Families in Illinois

Illinois stands to gain \$4 million over 5 years and \$13.4 million over 10 years in additional federal Medicaid funding for nurse home visitation services under the Nurse Home Visitation Medicaid Option in Section 1713 of the Affordable Health Care for America Act (H.R. 3962).

What is the Nurse Home Visitation Medicaid Option?

In many States, Medicaid covers most home visitation services performed by nurses through several different categories of service. However, in practice, States find it administratively burdensome to seek Medicaid reimbursement through multiple categories and some of the categories are not options within State Medicaid Plans. As a result, States that cover nurse home visitation in their Medicaid programs often elect to seek Medicaid reimbursement for only the subset of nurse services that fit into one category. The voluntary Medicaid Option corrects this problem by grouping all Medicaid-reimbursable nurse home visitation services into a new category that States may use to cover the full range of nurse home visitation services for first-time, Medicaid-eligible pregnant women and their infants through age 2.

Are Nurse Home Visitation Services Offered to Children & Families in Illinois?

Illinois currently has 2 Nurse Family Partnership (NFP) sites serving Kane, Jefferson, and Marion counties. These programs are administered by the Kane County Health Department and United Methodist Children's Home respectively. The United Methodist program also has integrated doulas to accompany nurses during prenatal and postnatal home visits. NFP Illinois programs are supported by the Ounce of Prevention Fund, the Illinois State Board of Education, and most recently the Illinois Department of Health and City of Chicago Health Department have expressed interest in expanding NFP throughout the State. Illinois is not currently using federal Medicaid dollars to support nurse home visitation services; however, the State has indicated strong interest in utilizing Medicaid funds to expand nurse home visitation services to at risk families, in particular, the NFP model.

What Additional Federal Medicaid Funding Could Illinois Receive from Section 1713?

If Illinois elected to provide services under the Option, the State could potentially receive the following additional funds for services currently funded through State, local and other sources:

- **Subject to availability of State and local matching funds, Section 1713 could provide Illinois with \$4 million over 5 years and \$13.4 million over 10 years in additional federal Medicaid funds for nurse home visitation services.**
- Illinois is not currently billing Medicaid for nurse home visitation services but estimates are derived from multi-State averages.
- These projections are based on a conservative projected increase from 190 mothers enrolled in 2009 to 1,365 mothers enrolled in 2019.
- With more aggressive enrollment of families to reach 15% of Medicaid births statewide, or 10,810 mothers and children, the Medicaid Option would produce nearly \$19.1 million annually in *additional* federal Medicaid funds for nurse home visitation services in Illinois.

Assumptions

1. Funding estimates are based on enrollment and cost projections for nurse home visiting services primarily provided by Nurse-Family Partnership. A range of other nurse home visiting programs may be eligible providers under the Medicaid Option, including the many nurse home visiting programs offered through State and local health departments.
2. State estimates are based on current State enrollment figures and growth projections based on the Congressional Budget Office's target Medicaid expenditures of \$800 million over 10 years for Section 1713.
3. A more generous estimate of additional federal Medicaid funding that is potentially available to States through this provision is also provided, based on more aggressive enrollment of 15% of Medicaid live births statewide. At that enrollment rate, 59% of Medicaid first-borns would be offered nurse home visiting services. Approximately 40% of Medicaid births are first births.
4. Projections of additional federal Medicaid reimbursement estimate that Medicaid will cover 65% of costs, which is higher than the percentage of costs currently covered by Medicaid in any State. Estimates of existing reimbursement rates are based on individual State estimates where available or a State average based on available data.
5. Enrollment estimates are based on the number of live births by state in 2006 and the percentage of births covered by Medicaid in 2003 (the most recent year available).
6. National average prices were adjusted to state estimates using the ACCRA price index – all items. (See US Statistical Abstract, Census Bureau.)

Source: Ted R. Miller, Ph.D., Pacific Institute for Research & Evaluation, Calverton, MD.