3. Health Services
   (some include mental health treatment)

Medicaid

S-CHIP

Maternal and Child Health Block Grant

Promoting Safe and Stable Families—Title IV-B

Health Care for the Homeless

Healthy and Ready to Work Initiative
Medicaid

Statutory Authority
Title XIX of the Social Security Act, 42 U.S.C. § 1395 et seq.

Federal Agency
Centers for Medicare and Medicaid Services (CMS), Department of Health and Human Services

Program Type
Entitlement with required state (and in some states also local) match

Eligibility, General Rules
Medicaid is the nation’s largest program financing health and mental health care, currently covering 37 million people. Medicaid is a federal-state partnership, administered by the states. States have considerable flexibility over eligibility (above federal minimums) and covered services for adults (above federal minimums). As a result, there are significant variations nationwide.

Federal law mandates coverage for certain individuals and describes other groups who may be covered at state option. While there are more than 25 specific eligibility categories, covered individuals fall into three major groupings: 1) low-income individuals (primarily dependent children, the parents of dependent children and pregnant women), 2) people who have a disability or 3) people who are elderly. About three quarters of Medicaid beneficiaries are in the first group, but they account for only one quarter of expenditures. Although the elderly and people with disabilities represent only one fourth of program beneficiaries, they account for two thirds of the spending.

Eligibility, Age
Medicaid covers people of all ages. However, various Medicaid services categories are limited to recipients of certain ages. The rules that allow low-income children and youth to qualify apply to individuals under 19, but states may raise the limit to 20 or 21 for some groups of youth.

Eligibility, Financial
Medicaid is a means-tested program, basing eligibility on an individual’s income and resources. To qualify, all individuals must have low or moderate incomes.

Mandatory eligibility groups include children and youth in families with income at or below 100 percent of federal poverty level. In 1997, 26 percent of children lived in families with incomes below federal poverty. There are also optional eligibility categories for youth based entirely on family income. The most significant is coverage of children and youth in families with incomes up to 185 percent of federal poverty.

Several states now cover uninsured individuals with higher incomes under Medicaid through Section 1115 waivers or Section 1915(c) waivers for home- and community-based care. Some states have limited the services furnished to optional populations through waivers.

Eligibility, Other
Other groups of low-income children and youth are also eligible for Medicaid. In 1996, the direct link between receipt of welfare benefits and Medicaid was broken. However, mandatory Medicaid categories still include caretakers and dependent children (TANF families). Other mandatory eligibility groups include:

1 For more information about federal poverty measures, see http://aspe.hhs.gov/pl
• children in foster care or whose adoptive families receive support through the child welfare system; and
• children whose parents failed to cooperate in establishing paternity or to meet work requirements under TANF (this eligibility group is for the children only, not their parents).

Optional eligibility groups include:
• adolescents aging out of foster care (see the Chafee Independence Program fact sheet);
• S-CHIP children (see the S-CHIP fact sheet); and
• children up to 21 who do not meet the eligibility standards related to welfare, but are similar in various ways.

Eligibility, Severity of Condition

Mandatory eligibility categories for individuals (adults and children) with disabilities include:
• except in certain states, all individuals who qualify for Supplemental Security Income (SSI) disability benefits;
• individuals with disabilities in the 11 states where this rule does not apply, who meet the state’s more restrictive disability criteria and/or its financial eligibility standard more restrictive than SSI (state standards must be set within certain federal rules);
• individuals who receive SSI mandatory state supplements (but not the federal cash benefit);
• individuals who would be eligible for SSI except for their earnings;
• individuals who are aged, blind or disabled who remain poor but who lost their SSI cash benefits for unrelated reasons;
• individuals for whom Medicaid pays part of Medicare costs; and
• children who were on SSI in 1996 (when more restrictive federal standards of disability were enacted).

Optional categories for people with disabilities include:
• individuals with incomes up to 100 percent of the federal poverty level;
• individuals receiving services through a home- and-community-based waiver;
• children living at home with family income and resources too high to qualify, who would qualify if they were in an institution (known as the TEFRA or Katie Beckett option);
• working people with disabilities;
• workers between the ages of 17 and 65 with potentially severe disabilities (through a demonstration project);
• individuals who receive only optional state SSI supplements; and
• individuals with high health care costs who do not otherwise qualify but who can become “medically needy” by spending down their income on health care.

Other Rules

Other rules on eligibility include the following:
• Children under 19 and pregnant women can be found presumptively eligible for Medicaid. They can be placed on the rolls immediately before the time-consuming process of determining eligibility has been completed.
• Children up to 19 can also be covered at the state’s option for up to 12 continuous months, regardless of any changes in their circumstances that would otherwise make them ineligible.
Services furnished for three months prior to a successful application for Medicaid coverage are covered for individuals of all ages.

With some exceptions, the federal government will not pay for Medicaid services furnished to individuals in a public institution. This includes publicly operated hospitals, jails and prisons. While a person can remain eligible for Medicaid during a stay in such an institution, most states find it more convenient to terminate rather than suspend coverage in these situations. As a result, the person may lack coverage when first returning to the community.

Single adults with no children are generally ineligible for Medicaid unless they either have a disability or require nursing home care. Older youth who are not parents and not disabled therefore generally cannot qualify for Medicaid.

Youth in Transition Services Covered

All Medicaid-eligible children (defined as up to 19, 20 or 21, depending on the state) are entitled to receive any federally defined Medicaid service when it is medically necessary. This mandate stems from the Early and Periodic Screening, Diagnosis and Treatment (EPSDT) provision in the law. For adults, some federally defined services are mandatory while others are available only at state option.

Children are eligible for periodic screening for health and mental health problems and for diagnosis and treatment of any condition identified through such a screen. Under EPSDT, any service covered in federal law must be made available to the child for this treatment, whether or not the state includes that service in its state plan.

Medicaid covers a comprehensive array of health and mental health services, including rehabilitation, case management and other services of particular relevance to people with disabilities. For adults, most community-based mental health and substance abuse services are optional. Mandatory services include general hospital care, physician services, outpatient hospital care and services of a community health center. Optional services include psychiatric rehabilitation, clinic services, intensive outpatient substance abuse services, services of clinical psychologists or clinical social workers, prescribed medications, targeted case management and psychiatric hospital care for those over age 64.

Mental health costs (excluding substance abuse treatment) represent between 9 and 13 percent of all Medicaid spending. Mental health spending for school-age children is particularly high. Among the 10 percent of children with the highest annual Medicaid costs, those who use mental health services constitute one fourth of all users, and their costs are almost a third of the total health care costs for this group. Public mental health systems have increasingly relied on Medicaid to fund necessary services. Between 1981 and 1997, state mental health system revenues from Medicaid grew by 447 percent.

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4 Bazelon Center for Mental Health Law (in press). Medicaid and Mental Health: The Importance of Each to the Other. Washington DC.
Activities Funded

Federal rules govern planning, administration, provision of care through managed care entities, quality assurance requirements, appeals processes and myriad other issues. States set provider-reimbursement rates and certification standards (although federal rules do impose some broad general requirements).

States may apply to waive these rules, and increasing numbers are using that approach to run their programs differently.

Funding

FY 2007 federal share, $206.886 billion; FY 2008, $208.921 billion

The federal government contributes a percentage of costs for covered services furnished to an eligible individual. State match requirements vary, and the federal contribution ranges from 50 to 76 percent, depending on the state.

Evaluation

Medicaid is a much-studied program. Many reports on various aspects of the program have been issued by governmental and non-government sources.

Relevance for Youth with Serious Mental Health Conditions

Medicaid’s covered services include a wide array of the services needed by transition-age youth with serious mental health conditions. The most significant problem is the fact that eligibility rules change as a youth ages. Although states can opt to cover children and youth up to age 21, this is not a mandate, and not all states have done so.

Moreover, as youth pass the age of eligibility for children and adolescents in their state, they must qualify under the adult criteria, which are based both on income and on categories of need (e.g., a person with a disability receiving SSI or an individual residing in a certain facility, such as a nursing home). Many youth with serious mental health conditions cannot qualify under these categories and therefore, as they become young adults, they lose access to all of the health, mental health treatment and, importantly, psychiatric rehabilitation services covered by Medicaid.

On the other hand, emancipated youth who could not qualify for Medicaid based on family income might qualify for a few years (depending on the state) if their eligibility can be determined based on their own income.
# State Children’s Health Insurance Program (S-CHIP)

<table>
<thead>
<tr>
<th><strong>Statutory Authority</strong></th>
<th>Title XXI of the Social Security Act (enacted as part of the Balanced Budget Act of 1997, P.L.105-33), 42 U.S.C. § 1397aa et seq.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Federal Agency</strong></td>
<td>Centers for Medicare and Medicaid Services (CMS), Department of Health and Human Services</td>
</tr>
<tr>
<td><strong>Program Type</strong></td>
<td>Entitlement for enrolled children; enrollment limited by available resources. S-CHIP provides funding to states to extend publicly funded coverage to “targeted low-income” children who are ineligible for Medicaid or other “creditable coverage.” Unlike Medicaid (which is an open-ended entitlement to both states and individuals), state S-CHIP federal allotments are subject to upper limits and states may cut off enrollment when financial capacity is expended. States also have more discretion in program design and eligibility for S-CHIP than for Medicaid.</td>
</tr>
<tr>
<td><strong>Eligibility, General</strong></td>
<td>S-CHIP is governed by both federal and state law. States administer the program and the federal government provides matching funds (variable, with a higher match rate for poorer states). As an incentive for states to expand coverage to children in families with incomes above traditional Medicaid eligibility levels, S-CHIP provides an enhanced federal match rate above the Medicaid match. States can elect either to use their S-CHIP allotments to expand their Medicaid program or to operate a separate private insurance S-CHIP program. If they opt to cover some or all S-CHIP eligible children under Medicaid, a child is eligible for all Medicaid-covered services. If they instead provide a health care plan that meets certain standards, the benefits offered may be less than Medicaid. Alternatively, states may combine these options and provide Medicaid coverage for some children while others have private health coverage. S-CHIP children enrolled in Medicaid are entitled to the EPSDT protections and to a full array of services. States can impose some cost-sharing requirements, except for well-baby or well-child care and age-appropriate immunizations. For states that elect Medicaid expansion, Medicaid cost-sharing rules apply—i.e., cost-sharing must be nominal—while the non-Medicaid S-CHIP programs may require beneficiaries to pay more. Children are not eligible if they are 1) covered under a group health plan or health insurance; 2) in families eligible for state employee insurance; 3) residing in an Institution for Mental Diseases; or 4) eligible for Medicaid coverage.</td>
</tr>
<tr>
<td><strong>Eligibility, Age</strong></td>
<td>Children under 19</td>
</tr>
<tr>
<td><strong>Eligibility, Financial</strong></td>
<td>States have varying thresholds for income eligibility. Federal SCHIP law allows states to cover children under S-CHIP with household incomes below 200 percent of the federal poverty level or 50 percent higher than the state’s Medicaid-eligibility threshold. As of January 2008, 38 states and D.C. have set eligibility at higher than 200% of the poverty level. Six states are at 200% FPL and six states are below. States have the option of applying asset tests or relying on income-eligibility standards. Most states provide coverage to uninsured children whose families earn up to $42,400 a year (for a family of four). Under S-CHIP, family-income limits can exceed the state’s Medicaid eligibility level.</td>
</tr>
</tbody>
</table>
Eligibility, Other

Some states have federal waivers to cover parents in addition to their children.

Youth in Transition

Not targeted

Services Covered

States providing private plans must base coverage on one of the following:
- benchmark coverage: substantially equal to either the Federal Employee Health Benefits Program Blue Cross/Blue Shield Standard Option Plan, the state employees health plan or a plan offered by the state’s largest commercial HMO;
- benchmark- equivalent coverage: alternative coverage specifically designed for S-CHIP, but with an aggregate actuarial value at least equal to one of the benchmark plans;
- secretary- approved coverage: substantially equal to coverage under one of the benchmark plans through a benefit-by-benefit comparison. Special rules exist where state-based comprehensive coverage for low-income children existed prior to enactment of S-CHIP (i.e., New York, Pennsylvania and Florida). In these states, the prior existing health benefits package is deemed to meet the S-CHIP coverage requirements.

S-CHIP requires prevention and treatment services including:
- inpatient and outpatient hospital services;
- physicians’, surgical and medical services;
- laboratory and X-ray services;
- well-baby and well-child care; and
- age-appropriate immunizations.

The law allows that coverage for some services need only be 75 percent of the actuarial value of a benchmark package. Services that can be restricted in this manner are:
- prescription drugs, mental health, vision and hearing services. There can also be limited coverage of special or chronic-care services in private S-CHIP plans.

Activities Funded

State outreach and enrollment activities are also funded.

Funding

FY 2007, $5.4 billion; FY 2008 budget $5.0 billion

Evaluation

An annual report and outcome-based evaluations are required. The annual report assesses the operation of state S-CHIP plans and the progress made in reducing the number of uninsured children.

Relevance for Youth with Serious Mental Health Conditions

Youth in states where S-CHIP-covered children are enrolled in Medicaid have the advantages of other Medicaid-eligible youth. Youth in states with private insurance S-CHIP plans often have very limited mental health benefits because these are taken from a benchmark private health plan. The typical private plan limits outpatient visits (often 20 or less) and inpatient stays (30 days or less). In addition, the range of psychiatric rehabilitative services these youth require (and could receive if covered by Medicaid) are generally not covered at all.

Age limits are a problem in S-CHIP as children lose eligibility at 19. However, some emancipated adolescents who cannot qualify for S-CHIP based on family income might qualify briefly if their eligibility can be determined based on their own income, although they, too, will lose eligibility at 19.
Maternal and Child Health Block Grant

**Statutory Authority**  
Title V of the Social Security Act, Section 502(a)(1), as amended, 42 U.S.C. § 701 et seq.

**Federal Agency**  
Division of Services for Children with Special Health Needs, Maternal and Child Health Bureau, Health Resources and Services Administration, Department of Health and Human Services

**Program Type**  
State formula grant

**Eligibility, General**  
Title V targets low-income youth with special health care needs. Specific eligibility criteria vary considerably by state.

**Eligibility, Age**  
Up to 25. The Title V program may develop a transition plan for youth at 14 (younger when possible).

**Eligibility, Severity of Condition**  
To be eligible, children and youth must have special health care needs, defined as having or being at increased risk of a chronic physical, developmental, behavioral or emotional condition and also requiring health and related services of a type or amount beyond that required by children generally. SSI-eligible children qualify automatically.

**Youth in Transition**  
Under Title V formula grants to states, one of several national performance measures is that youth with special health care needs will receive the services necessary to make transitions to all aspects of adult life, including adult health care, work and independence.

In a review of 2004 Title V plans, 10 states were found to have a dedicated transition coordinator; 32 provided transition training; 16 had formal transition planning for youth; eight included transition in contracts with providers and nine reported transition as part of quality assurance activities. Many state MCH agencies currently collaborate with other states or local agencies (particularly education departments) on transition issues.5

Implementation projects to develop state models of programs focused on transition outcomes have been funded in Arizona, Iowa, Kentucky, Maine, Mississippi and Wisconsin.

**Services**  
Title V is a partnership with State Maternal and Child Health (MCH) and Children with Special Health Care Needs (CYSHCN) programs.

The MCH block grant funds provide gap-filling and are used for the following purposes:

<table>
<thead>
<tr>
<th>Point</th>
<th>Description</th>
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<tbody>
<tr>
<td>♦️</td>
<td>prenatal health services to women and primary and preventative care to children, including those with special health care needs;</td>
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<tr>
<td>♦️</td>
<td>direct health care services for children with special health care needs;</td>
</tr>
<tr>
<td>♦️</td>
<td>promotion of health and safety in child care settings and</td>
</tr>
<tr>
<td>♦️</td>
<td>enabling services such as home visiting and nutrition counseling.</td>
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Direct health care services funded through Title V programs are intended to be supplemental, to fill gaps. Although the funds can pay for mental health care, most Title V agencies exclude coverage of inpatient and outpatient mental health services.6

Under the President’s New Freedom Initiative, the Maternal and Child Health Bureau is charged with developing and implementing a plan to achieve appropriate integrated, community-based service systems for children and youth with special health care needs and their families. As part of this plan, grantees are expected to address six component areas for community based service systems:

- Families partner in decision-making and will be satisfied with the services they receive.
- Children and youth with special healthcare needs receive coordinated ongoing comprehensive care within a medical home.
- Families of children and youth with special healthcare needs have adequate private and/or public insurance to pay for the services they need.
- Children are screened early and continuously for special health care needs.
- Community-based service systems are organized so families can use them easily.
- Youth with special health care needs receive the services necessary to make transitions to adult life, including adult health care, work and independence.

State MCH block grant programs must also provide rehabilitation services to children with disabilities under age 16 who receive SSI benefits to supplement services they may receive through Medicaid. The Social Security Administration refers these children to the Title V agency in their state.

### Funding

**FY 2007, $693 million; FY 2008, $666.155 million**

### Evaluation

States are expected to report data and information on annual expenditures and the number served. National and state performance and outcome measures are required.

A national center provides technical assistance to projects and to the State Children with Special Health Care Needs Programs.

### Relevance for Youth with Serious Mental Health Conditions

MCH Title V programs serve youth with all disabilities, including those with serious mental health conditions, although these youth are generally under-represented in MCH programs. Moreover, while addressing transition issues is a national requirement for MCH programs, activities with respect to transition vary considerably by state. Some states are paying significant attention to these issues, but others appear to be in the early stages of discussion and planning. Finally, although the law permits states to serve youth up to age 25 with Title V funds, most states only serve youth up to 21.

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Promoting Safe and Stable Families — Title IV-B

Statutory Authority

Federal Agency
Administration for Children and Families, Department of Health and Human Services

Program Type
Title IV-B authorizes both a capped entitlement (formula grants) and discretionary grants to states. The 2001 amendments also authorized a competitive grant program for public and private initiatives to provide mentoring to children of prisoners.

Eligibility, General
State allotments are based on the number of children in the state who received food stamps in the previous three years. One percent of the mandatory amounts and two percent of discretionary funds appropriated are reserved for allotments to tribal organizations or Indian tribes.

Most grant funds go directly to state governments or certain eligible Indian tribes for expenditure in accordance with five-year plans. However, from the mandatory funds, $10 million is set aside for state court-improvement programs and $6 million for evaluation, research and training. Planning must include data collection and analysis and states must collaborate with organizations with experience in administering children and family services.

Eligibility, Age
The program serves children up to age 21.

Eligibility, Financial
Title IV-B funds may be used for services to families and children without regard to family income.

Eligibility, Other
Families are generally referred for services by courts, police, social service agencies or health care providers when they are deemed to be at risk or in crisis.

Youth in Transition
Not targeted

Services Covered
The law is intended to support child abuse/neglect prevention activities, prevent unnecessary out-of-home placements, promote permanency for children by maintaining their safety in their own homes, support families preparing to reunify or adopt, and assist families in obtaining other services to meet multiple needs. It is also designed to strengthen the design and delivery of services.

Title IV-B enables states to provide family-preservation services, community-based family-support services, time-limited family-reunification services (provided during the youth’s first 15 months in foster care), mental health, substance abuse, parenting and domestic violence services, counseling, transportation to services, and adoption promotion and support services.

Services range from preventive to crisis services and can include: assessment; diagnosis; individual, group or family therapy; crisis intervention; medication management; substance abuse treatment; parental education and improvement of parenting skills; intensive in-home services; social skills and daily-living skills training;
case management; family support (such as respite care); tutoring; and health education for youth. Activities, such as classes on parenting, respite care and assistance in obtaining benefits, may be considered both a family-preservation and a family-support service. Funds are used for services to the family as a whole, but must meet both individual and family needs.

The law is intended to promote better integration of services. Child welfare systems are expected to involve parent and community organizations in the design and delivery of services. Services are to be:

- modeled on strengths-based approaches;
- easily accessed (preferably delivered in the home or in community-based settings);
- respectful of cultural and community differences;
- flexible and responsive to individual and family needs; and
- integrated with other supports and services outside the child welfare system.

**Activities Funded**

By making funds available for planning and by requiring the development of a comprehensive five-year plan in order to receive funds, the law is intended to strengthen the design and delivery of family and children's services and to better integrate them.

**Funding**

Mandatory Funding — FY 2007, $345 million; FY 2008, $345 million. $40 million is set aside to fund both formula grants made to states to help improve quality and number of caseworker visits and competitive grants for regional partnerships to work with the children and families of substance abusers.

Discretionary Funding — FY 2007, $89 million; FY 2008, $63.3 million. 3.3 percent of discretionary funds are set aside for supplementary funding of the four mandatory fund allotments. An additional $20 million of the discretionary funds are set aside for improving cooperation and data collection between child welfare services and the courts, and the training of legal personnel in child welfare cases.

**Evaluation**

Because of minimal reporting requirements, there are no reliable national or state-by-state data on the exact number of children served, their characteristics or the services provided.

**Relevance for Youth with Serious Mental Health Conditions**

Generally, these funds can be used to prevent abuse and neglect and to promote reunification and adoption as ultimate permanent plans. Funds can be used for a wide range of mental health services, from inpatient to community care. Specialized services for transition-age youth with serious mental health conditions can be provided.

Title IV-B can cover services particularly needed by transition-age youth with serious mental health conditions, such as crisis intervention, social-skills training, daily living-skills training, tutoring, supported employment and supported education and substance abuse services.

However, funds are limited, particularly in comparison with child welfare Title IV-E funds for children already in care. Given the great need for services to prevent out-of-home placements, there is particularly strong competition for these resources and states may therefore be inclined to prioritize services to younger children, in order to avoid many years of out-of-home placement, instead of using significant resources for youth reaching the age of transition.
Health Care for the Homeless

Statutory Authority
The Stewart B. McKinney Homeless Assistance Act, P. L. 100-77, added Section 340 to the Public Health Service (PHS) Act, authorizing grants for the provision of health care to homeless individuals. In 1996, the program was re-authorized under Section 330(h) of the Health Centers Consolidation Act, P. L. 104-299, which consolidated it with other community-based health programs; 42 U.S.C. §11431 et seq.; see 42 U.S.C. § 11432(g)(6)(A)(iii)

Federal Agency
Bureau of Primary Health Care, Health Resources and Services Administration, Department of Health and Human Services

Program Type
Discretionary grants to community health center programs

Eligibility, General
Organizations receiving funding must be public and nonprofit private entities, including faith-based organizations and community-based organizations.

Eligibility, Age
All ages, including children

Eligibility, Other
Individuals must be homeless. A “homeless individual” is a person who lacks housing (whether or not he or she is a member of a family), including people whose primary residence during the night is a supervised public or private facility that provides temporary living accommodations, and individuals who are residing in transitional housing. Services may also be provided for up to 12 months to individuals who have obtained permanent housing, if services had been provided to them when they were homeless.

Youth in Transition
Not targeted. Youth in transition can be eligible if they meet program requirements—i.e., are or have recently been homeless and receiving services while homeless.

Services Covered
Programs deliver services in a variety of settings, including traditional clinics, shelter-based clinics and mobile units, bringing health services to sites where homeless individuals are found, such as streets, parks and soup kitchens.

The program funds aggressive street outreach with integrated systems of primary care, mental health and substance abuse services, case management, and client advocacy. Emphasis is placed on coordinating efforts with other community health providers and social service agencies. HCH projects are required to provide the following services:

- basic health care and preventive services related to family medicine, internal medicine, pediatrics, obstetrics and gynecology;
- laboratory, pharmacy and radiological services;
- referrals to providers of specialty services when medically indicated, and other health-related services (including substance abuse, mental health services and dental care);
- case management (including counseling, referral and follow-up) and other services to help individuals obtain services from federal, state and local programs that address medical, social, housing, educational or other related needs;
- outreach, transportation and translation; and
- health education, both to individuals and through population-based activities.
**Funding**

FY 2007, $159.6 million; FY 2008, $174.7 million

**Evaluation**

In 2003, the HCH grantees served more than 600,000 people. Most, 53 percent, were between 20 and 44 years old; followed by individuals between 45 and 64 (28 percent). Children up to 14 accounted for 11 percent, and 4 percent were youth between the ages of 15 and 19. Nearly half of the programs are sponsored by federally funded community and migrant health centers; the rest are supported by public health departments, hospitals, community coalitions and other community-based groups.

**Relevance for Youth with Serious Mental Health Conditions**

Homeless youth in transition can receive important health, mental health, substance abuse and case management services through this program. In addition, the program funds aggressive street outreach and client advocacy. It also emphasizes integrated systems of primary care, mental health and substance abuse services. These grants could be an important adjunct for programs serving homeless transition-age youth with serious mental health conditions, and youth themselves could benefit significantly if they come in contact with a grantee who emphasizes integrated systems of primary care, mental health and substance abuse services.
Healthy and Ready to Work Initiative

Statutory Authority
Social Security Act, Title V, Section 502(a)(1) and (b)(1) and 501(c)(1), as amended; 42 U.S.C. 702.; and Section 399BB of the Public Health Service Act.

Federal Agency
Division of Services for Children with Special Health Needs, Maternal and Child Health Bureau, Health Resources and Services Administration, Department of Health and Human Services

Program Type
Discretionary grant program under the MCH Special Projects of Regional and National Significance (SPRANS). The Division of Services for Children with Special Healthcare Needs/MCHB works to achieve six critical systems outcomes set out in the Healthy People 2010 National Health Objectives and the President's New Freedom Initiative. The following six system outcomes are implemented in both non-categorical and condition specific programs (e.g. epilepsy, autism, sickle cell): 1) families partner in decision making and are satisfied with the services they receive; 2) CYSHCN receive coordinated ongoing comprehensive care within a medical home; 3) families of CYSHCN have adequate private and/or public insurance to pay for the services they need; 4) children are screened early and continuously for special health care needs; 5) community-based service systems are organized so families can use them easily; and 6) youth with special health care needs receive the services necessary to make transitions to adult life, including adult health care, work, and independence. The Healthy and Ready to Work Initiative represents the sixth component.

Prior to 2005, the Division awarded grants to address one of these six system outcomes separately. In 2005, the Division announced a new program, “The President’s New Freedom Initiative: State Implementation Grants for Integrated Systems for Children and Youth with Special Healthcare Needs”. The purpose of the program was to implement all six systems components into a comprehensive state wide system of services for CYSHCN.

Eligibility, General
Healthy and Ready to Work grantees must be, or work closely with, the State Title V MCH Program for Children with Special Health Care Needs.

Eligibility, Age
Up to 25. The program may develop a transition plan for youth at age 14 (younger when possible).

Eligibility, Severity of Condition
To be eligible for Title V programs, children and youth must have special health care needs, defined as having or being at increased risk for a chronic physical, developmental, behavioral or emotional condition and requiring health and related services of a type or amount beyond that required by children generally. SSI-eligible children are automatically eligible.

Youth in Transition
The Healthy and Ready to Work Initiative is targeted to youth in transition. It is a program intended to lead states to address transition issues of children and youth with special health care needs. Transition is only one component of these state implementation grants. However, almost all of them do address transition and many have developed youth advisory councils through the grant.

Services
The goal is to help youth make the transition to all aspects of adult life, including adult health care, work and independence. The program seeks system change by
working with health care, education, vocational rehabilitation and other community-based agencies to promote program goals. A key focus is on coordinated-care services that are family-centered and community-based. The approach values health care services that are delivered in a family-centered manner and that include guidance and support to facilitate youth empowerment and prepare youth to take charge of their own health care and lead productive lives.

The Healthy and Ready to Work Transition Services and Support Program provides an array of coordinated services for individuals with a disability or chronic illness that promote or maintain the quality of their lives and allow access to full life experiences over the life of that person. Specific services include:

- training and support services to promote self determination/leadership skills;
- job shadowing;
- mentoring programs; and
- education about transition issues.

The program also:

- sets expectations that individuals deserve to have a future that is not limited by others’ expectations or past experience;
- provides, when appropriate, support and services to maintain, sustain or improve the person's health status so as not to interfere with the enjoyment of activities of daily living and long-term living goals;
- provides supports, information and access to appropriate education, assistive technology and pre-employment experiences that enable individuals to work and become as independent as they choose; and
- plans for the transition to adult health care providers.

Healthy and Ready to Work grantees must:

- have a complete statewide needs assessment that addresses the state’s status in each of the six system components;
- implement a specific plan to achieve community-based systems of services incorporating all six components (may focus on two or more);
- integrate the plan into the MCH block grant and other public/private programs serving children with special health care needs and their families; and
- define a comprehensive evaluation plan using national, state and community data.

**Funding**

Statewide implementation grants have been funded in the following 28 States: Arizona, California, Colorado, Connecticut, Florida, Hawaii, Iowa, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New Hampshire, New York, Nevada, North Carolina, North Dakota, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Wisconsin, Utah, Vermont and West Virginia. The NFI initiative also supports grants to the District of Columbia and the Navajo Nation. The average grant amount for this program is $300,000 per year for a three year project period. The total FY’08 budget was $5,332,456.00 out of SPRANS dollars.

The FY 2008 budget includes $400,000 from the SPRANS budget for a national center for Healthy and Ready to Work (www.hrtw.org). This center develops resource materials, provides technical assistance and provides support to the Division to achieve the performance goal that youth with special health care needs receive the services necessary to make transitions to adult life.
**Relevance for Youth with Serious Mental Health Conditions**

The Healthy and Ready to Work programs provide an excellent array of services for transition-age youth, including the services most needed by those with serious mental health conditions.