



FINANCING INFANT AND EARLY CHILDHOOD MENTAL HEALTH SUPPORTS AND SERVICES

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Financing IECMH Supports and Services

States around the country are identifying innovative ways to fund Infant and Early Childhood Mental Health (IECMH) services and promote health from the start. Some are working to maximize reimbursement by Medicaid, Early and Periodic Screening, Diagnostic, and Treatment (EPSDT), Managed Care, and Accountable Care Organizations. Others are working to demonstrate the cost effectiveness of IECMH services. Common barriers that are being overcome include:

- Lack of awareness about IECMH among those who establish financing policy;
- Policies common for adult mental health are often extended to infants and young children yet are not developmentally appropriate;
- Very few studies illustrate a return on investment specifically for IECMH consultation and treatment, or the speedy return that policymakers desire;
- Many states are not fully maximizing the potential for IECMH coverage through the Medicaid children's benefit, EPSDT;
- States are beginning to cover behavioral health as part of managed care and often infant mental health requirements are absent;
- Medicaid may exclude financing services delivered in settings that are most effective such as children's homes or child care; and
- Even when states establish policies for financing IECMH services, the workforce needs to be educated on how to bill and be reimbursed for those services. Often, they do not have the knowledge or administrative capacity to tackle the billing process.

Federal Funding Streams (other than Medicaid) that Support IECMH

Medicaid is not the only funding that is available to support IECMH. Potential ways to support IECMH in addition to Medicaid include:

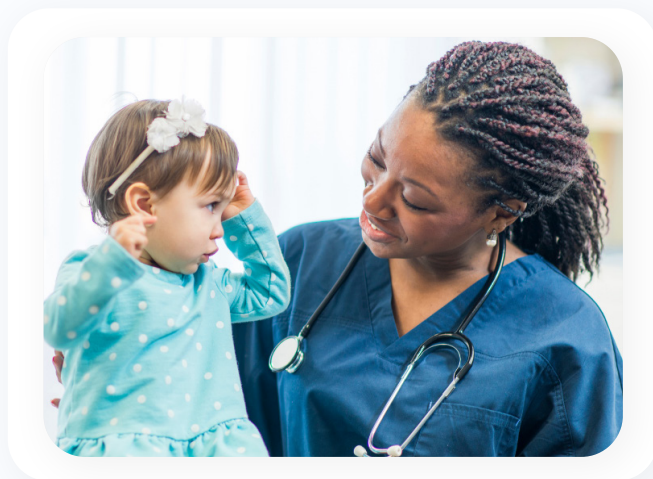
- Community Mental Health Services Block Grant
- Substance Abuse Prevention and Treatment Block Grant
- Head Start and Early Head Start
- Part B of IDEA: Preschool Special Education Program
- Part C of IDEA: Early Intervention
- Child Care Development Block Grant
- Title V Maternal and Child Health Block Grant
- Title IV-B of the Social Security Act – Child Welfare Services
- Title IV-E Foster Care



Resources Detailing Innovative Sustainability Efforts

A variety of resources have been developed on financing IECMH supports and services. Highlights include:

- **[USING MEDICAID TO ENSURE THE HEALTHY SOCIAL AND EMOTIONAL DEVELOPMENT OF INFANTS AND TODDLERS.](#)** This paper highlights state opportunities to address children's mental health earlier and more successfully through Medicaid. It provides a starting place to inform Medicaid discussions that will require additional attention to the full range of family and environmental factors that influence a child's development.
- **[EPSDT: A PRIMER ON MEDICAID'S PEDIATRIC BENEFIT.](#)** This fact sheet shares information about the EPSDT benefit, screenings covered, services states must cover, and how EPSDT is monitored.
- **[HOW STATES USE MEDICAID TO COVER KEY INFANT AND EARLY CHILDHOOD MENTAL HEALTH SERVICES: RESULTS OF A 50-STATE SURVEY \(2018 UPDATE\).](#)** This brief examines states' Medicaid coverage for key IECMH services, along with policies that contribute to service access and quality. It presents the results of an updated 50-state survey that gathered information from state administrators about Medicaid coverage and policies for children from birth to age 6.
- **[GUIDE TO LEVERAGING OPPORTUNITIES BETWEEN TITLE V AND MEDICAID FOR PROMOTING SOCIAL-EMOTIONAL DEVELOPMENT.](#)** This guide is designed to support state-level planning, action, and innovation. It uses a framework for action across a continuum that stretches from promotion to screening to prevention to early intervention and treatment.
- **[SUPPORTING SOCIAL-EMOTIONAL AND MENTAL HEALTH NEEDS OF YOUNG CHILDREN THROUGH PART C EARLY INTERVENTION: RESULTS OF A 50-STATE SURVEY.](#)** This report examines features of states' Part C Early Intervention programs that help them identify and serve infants and toddlers with social-emotional delays and mental health conditions. A 50-state survey asked state Part C Coordinators about their programs' policies and procedures related to screening, evaluation, eligibility, services, and financing that affect the program's capacity to meet the social-emotional needs of infants and toddlers.



- **[EXPLORING STATE STRATEGIES FOR FINANCING INFANT AND EARLY CHILDHOOD MENTAL HEALTH ASSESSMENT, DIAGNOSIS, AND TREATMENT.](#)** This paper describes approaches to financing IECMH assessment, diagnosis, and treatment. State examples illustrate core areas that can be employed to improve IECMH.
- **[SUPPORTING SUSTAINABILITY FOR INFANT-TODDLER COURT TEAMS: A FEDERAL FUNDING GUIDE.](#)** This [document](#) identifies 30 potential federal funding sources that might be accessible for supporting components of the Safe Babies Court Team™ (SBCT) approach, as well as services for infants, toddlers, and their families.





IDENTIFYING KEY LEADERSHIP

It is always important to identify Medicaid and other key leadership involved in financing decisions. Consider asking IECMH clinicians, program leads, administrators, and Medicaid staff to weigh in on the self-assessment tool (see next page).

SYSTEMS ROLE	CONTACT NAME
IECMH clinician(s)	
Program lead	
Administrator	
Medicaid staff	
Other:	
Other:	



FINANCING IECMH SUPPORTS AND SERVICES: A MINI SELF-ASSESSMENT TOOL

This mini self-assessment tool can provide a framework for conversations about financing IECMH supports and services and help grantees identify short- and long-term goals and next steps.

FINANCING IECMH SERVICES AND SUPPORTS	STATUS	COMMENTS, SUPPORTING INFORMATION, AND/OR QUESTIONS FOR INVESTIGATION	TOP PRIORITIES FOR FUTURE ACTION
Are Medicaid and other health insurers appropriately paying for IECMH services?	Not Sure Not Yet Yes		
Are payment/reimbursement rates adequate to ensure a robust provider network?	Not Sure Not Yet Yes		
Do the state Medicaid plan and any related regulations and policies specifically note that Early, Periodic Screening, Diagnostic and Treatment (EPSDT) provisions include coverage of infants' and young children's mental health needs?	Not Sure Not Yet Yes		
If the state's Medicaid program includes managed care organizations or behavioral health managed care organizations, does the state oversee and regulate these entities to ensure all EPSDT requirements are fulfilled?	Not Sure Not Yet Yes		
Does the state define and require "medically necessary services" to cover the provision of mental health preventive and early intervention services to infants, young children, and their families?	Not Sure Not Yet Yes		
Do insurers pay for multi-generation and dyadic treatment if either parent or child meets medical necessity for the treatment?	Not Sure Not Yet Yes		
Are the appropriate diagnostic coding and documentation procedures well known to providers statewide so that they can seek reimbursement?	Not Sure Not Yet Yes		
Do insurers' provider panels include all types of professionals who are allowed to provide IECMH services (e.g., not just child psychologists and psychiatrists but also social workers or licensed mental health counselors)?	Not Sure Not Yet Yes		
Do insurers allow for mental health services for infants, young children, and their families to be provided in non-clinical/non mental health settings such as pediatric offices, child care settings, and in the home?	Not Sure Not Yet Yes		
Is there sustainable and adequate financing for an array of IECMH services and supports across prevention and treatment services?	Not Sure Not Yet Yes		
Is IECMH funding sufficiently diverse to mitigate the impacts of budget cuts?	Not Sure Not Yet Yes		





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