

A New Approach to Reentry



New Medicaid Opportunities for Justice-Involve and IMD Populations

The federal government has released guidance giving state Medicaid programs the opportunity to request to waive two long-standing prohibitions on the use of federal Medicaid funding:

- Federal Medicaid funds are not allowed to pay for the cost of medical treatment for an “inmate of a public institution,” except for inpatient hospital services, regardless of age.
- Federal funds also are not allowed to pay for the cost of treatment of an adult age 19-64 in an institution for mental disease or IMD.

In addition, a new law requires Medicaid to begin in 2025 providing justice-involved youth with certain services 30 days before or after their release from a public institution such as a juvenile treatment facility.

- 30 days before - Screening or diagnostic service, including behavioral health screening
- At least 30 days after - Targeted case management services, including referrals for such eligible juvenile to the appropriate care and services available in the geographic region of the home or residence

Is There a Health-Related Need for Medicaid Reentry Support?

- Adults and adolescents involved in the justice system are more likely than the general population to experience mental illness, substance use disorder, and chronic physical health conditions.
- These conditions do not go away during the period of incarceration, and these conditions can be contributing factors to ongoing poverty and incarceration.

What is DHS Proposing?

DHS is requesting that the federal government waive the prohibitions for inmates and IMD patients for:

- 90 days after incarceration or admission to an IMD
- 90 days before release from a carceral setting or an IMD
- During these periods, Medicaid would pay for all medically-necessary services, including mental health and substance use treatment disorder services
- Upon release from an IMD or incarceration, individuals would receive Medicaid/PASSE services for 12 months to ensure access to services, especially mental health and substance use disorder treatment

Goals of Medicaid Reentry Support

The goals of the Arkansas Reentry Connections for Health (ARCH) program are to bridge the gap in services, create a continuum of care for these individuals and provide a smoother transition upon re-entering communities. DHS believes that by providing these services on the front and tail-end of incarcerations and stays in an IMD, the state will:

- Improve the health outcomes of these individuals;
- Reduce recidivism back into the justice system, especially for those who went into a prison or jail with an underlying mental health or substance abuse condition;
- Reduce preventable emergency room visits;
- Reduce the number of deaths in these populations;
- Alleviate impacts of the severe shortage of mental health providers by allowing equitable access to services through payment for services at IMD facilities; and
- Promote efficiency and effectiveness of the Medicaid program through care coordination and new models of care delivery that include home and community-based services that are bundled with care coordination.

What Settings Are Included?

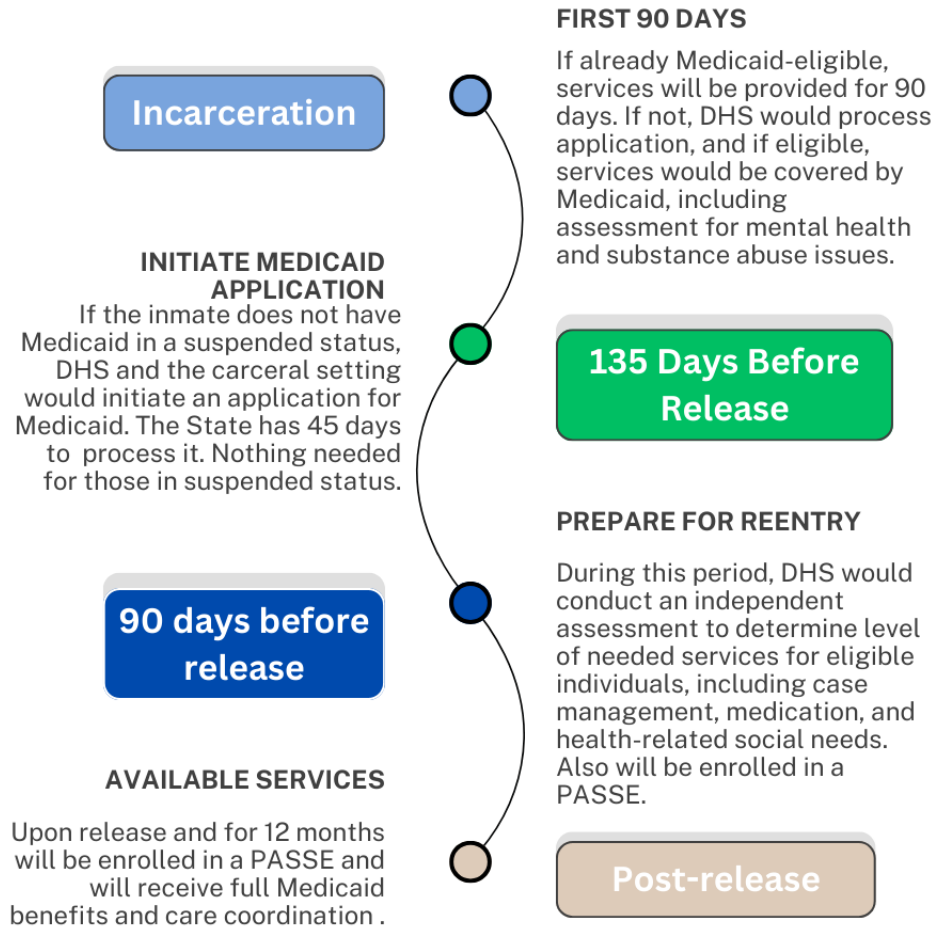
IMDs and carceral settings included in the new waiver program include:

- Arkansas State Hospital
- Division of Youth Services facilities
- Secured restoration releases
- Correctional system (state prison and local jails)

Proposed Process Under the Waiver

- For individuals already determined to be eligible for Medicaid, coverage will be continued for up to first 90 days of custody. Medicaid eligibility will be “suspended” on day 91 and then reinstated 90 days prior to release.
- For individuals who had not been determined to be eligible for Medicaid prior to incarceration, the DHS will work with stakeholders to establish Medicaid eligibility 135 days prior to release.
 - Medicaid rules require DHS to make an eligibility determination within 45 days, which would allow for a 90-day period of eligibility prior to release.

Prison/DYS Process Example



Next Steps

December 2023 through March 2024

- Release draft application for state public comment period
- Continue presentations to interested parties
- Submit waiver application to CMS not later than March 31, 2024, for approval by July 1, 2024, with effective date of January 1, 2025.
- Begin work on implementation plan with stakeholders

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Questions?

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