COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

MAR 12 1974

B-164031(4)

The Honorable Ralph H. Metcalfe
House of Representatives

Dear Mr. Metcalfe:

In response to your July 17, 1972, letter we have reviewed the administration of the Early and Periodic Screening, Diagnosis, and Treatment program (EPSDT) by Illinois under its Medicaid program. Medicaid is administered at the Federal level by the Social and Rehabilitation Service of the Department of Health, Education, and Welfare (HEW). This report summarizes the matters discussed in a meeting with representatives of your office on September 13, 1973, and includes additional information requested during that meeting.

The 1967 amendments to the Social Security Act (42 U.S.C. 1396) added EPSDT as a required Medicaid service effective July 1, 1969. This service was intended to provide preventative health care to children through age 20. In November 1971--more than 2 years after EPSDT became a required service--HEW issued regulations which required the States to have ongoing programs by February 1972 for eligible children through age 5 and by July 1973 for eligible children through age 20.

SCOPE OF REVIEW

We reviewed Illinois' progress in implementing the program, including outreach activities, screening activities, and the system for followup to help insure that eligible children receive prescribed examinations and needed treatment. We reviewed pertinent records and discussed the program with officials of HEW's Chicago regional office, the Illinois Departments of Public Health and Public Aid, Cook and Sangamon County Departments of Public Aid, and the Chicago Board of Health. We visited eight providers of early screening and diagnostic services, including five doctors, one dentist, one professional corporation, and one county health department. (The latter two were demonstration projects.)

Also, we sent questionnaires to 10 families who had received aid to families with dependent children (AFDC) for more than 1 year and had at least 1 child under age 6.

IMPLEMENTATION OF EPSDT

Initially the Illinois Department of Public Health was to design, develop, and operate this program with Public Aid serving as the State agency for billing only. The Illinois legislature refused to appropriate funds for the program to Public Health; instead, in June 1972,

it appropriated funds to Public Aid for implementing interim procedures which had been issued in February 1972 and developing Medichek--a program to provide EPSDT services to all eligible children through age 20.

In December 1972 Public Aid suspended the development of Medichek indefinitely because (1) EPSDT services were not yet deliverable under the program, (2) adequate support systems had not been developed, (3) information about the program had not been disseminated to potential recipients, and (4) the administrative staff had not been trained.

In March and April 1973 Public Aid restructured responsibilities for developing Medichek. Public Health again assumed responsibility for developing and implementing the program, and Public Aid retained administrative and fiscal responsibility. Under this plan, Public Health was responsible for (1) establishing an automated data bank containing the names of eligible children, (2) informing the children's families of the program, (3) scheduling periodic examinations, and (4) following up to insure that needed treatment was provided. Medical histories for these children are to be maintained in the data bank.

Public Aid, in February and April 1973, awarded grants for salaries and equipment to five professional or governmental organizations to establish demonstration projects for Medichek for children through age 5; in July and August 1973 it awarded additional grant funds to these projects so that children ages 6 through 20 could be included. The demonstration projects were in areas having a reasonably heavy density of families receiving public assistance so that substantial data could be obtained to help statewide implementation.

In August 1973 State officials began evaluating the projects. They told us in September 1973 that they were establishing the data bank of eligible children and preparing (1) outreach policies, (2) followup procedures, and (3) overall procedures for administering Medichek. They estimated that Medichek would be fully operational by the end of February 1974.

Our observations on Illinois' problems in implementing EPSDT and the State's actions and plans to carry out an effective program are discussed below under the three major components of the program--outreach, screening, and followup.

OUTREACH ACTIVITIES

The State's interim procedures provided that county public aid casework staffs encourage AFDC families to use EPSDT services available in public and private agencies. However, 16 of the 26 caseworkers we contacted in 2 counties said the procedures had not been brought to their attention and they were not aware of the requirement to encourage families with eligible children to seek services. The

interim procedures did not provide for informing medically needy families of the availability of services; however, the new procedures, issued in August 1973, do. (The medically needy are persons whose income and resources are too great to qualify them for public assistance but are not sufficient to pay for medical care.)

We sent questionnaires to 10 AFDC families--selected by caseworkers we interviewed in 3 Cook County district offices and the Sangamon County office--to determine whether they were aware of the availability of free physical examinations. Two of the seven families that responded indicated that they had not been informed of the availability of such examinations. The remaining five families indicated that they had learned of them from one or more of the following sources: an AFDC caseworker, a friend, or a notice with their welfare check.

The five Medichek demonstration projects included outreach as part of their activities. Officials at the two demonstration projects we visited informed us that their outreach activities included door-to-door visits by outreach workers, group meetings with families, and brochures and literature. The demonstration projects also used community organizations, such as churches and day-care centers, to communicate the benefits of the program.

As part of the transition from the interim procedures to Medichek, Public Aid in July 1973 distributed brochures concerning the availability of services under Medichek to county public aid departments for distribution to families with eligible children. In August 1973 Public Aid also mailed notices, explaining services under Medichek, to AFDC recipients and to families with eligible children who had been identified as medically needy.

Public Aid officials informed us in September 1973 that they were developing a comprehensive outreach program under Medichek. Public Aid allocated $275,000 for hiring and training additional outreach staff members in fiscal year 1974. However, alternatives to this, including the use of (1) private organizations under contract, (2) volunteers from junior colleges, (3) public aid caseworkers, or (4) some combination of these resources, were being considered at the time of our fieldwork. In addition, Public Aid plans to employ a public information officer to publicize Medichek.

The organization of the outreach activity had not been decided on as of January 1974.

SCREENING

The State reported that from February 1972 through March 1973 only about 11,400 EPSDT physical examinations and 1,500 dental

about 21,900 examinations to children. From January 1972 through March 1973 private physicians gave about 8,500 school health examinations under Medicaid.

Cook County Department of Public Aid statistics indicated that about 77,500 children were receiving AFDC in Illinois' First District in April 1972. We could not determine, from either Cook County or State records, how many of these children received screening examinations.

The screening procedures which the State and the Chicago Board of Health prescribed were substantially comparable to those recommended by HEW for EPSDT. One exception is screening for vision and hearing. The Medicaid program will not pay providers for such tests, because eligible children are expected to be included in mass screening programs coordinated by the Illinois Department of Public Health.

Of the eight providers we visited, seven said that physicians do screening examinations with the assistance of nurses and laboratory technicians. At the remaining provider--one of the demonstration projects--screening examinations are performed by either a physician or a registered pediatric nurse specially trained in giving physical examinations. State officials said that individual physicians usually perform screening examinations with the help of nurses and laboratory technicians.

State officials informed us that they have not determined whether sufficient medical personnel are available to perform screening examinations of all eligible children. They have, however, identified about 25,000 potential providers of EPSDT services, as follows:

Private physicians	14,798
Private dentists	6,762
Laboratories	193
Health departments	50
Neighborhood health centers	50
Hospitals	200
Optometrists	1,686
Podiatrists	980
Total	24,719

The officials said that, should the need arise, they would attempt to establish other facilities, such as part-time clinics manned by volunteer physicians.

The Department of Public Aid, with the assistance of the American Academy of Pediatrics, developed the following schedule of prescribed visits and maximum fees for physicians who perform screening examinations under Medichek. The fee schedule varies because examinations for the various age groups differ in scope.

Visits at ages	Maximum allowable fee
6 weeks and 4 months	$11
6 months	11
9 months	12
1 year	11
18 months	11
2, 3, and 4 years	14
5 years	19
6, 10, 14, 17, and 20 years	14

Also, the Department of Public Aid prescribed maximum allowable fees for various laboratory tests and an $8 fee for dental examinations.

FOLLOWUP

The interim procedures did not require followup with the families of eligible children to insure that the children received prescribed periodic screening examinations or treatment of conditions found during examinations. We examined medical records of 12 children at one physician's office and found that 5 of these children had not received 8 of 17 scheduled screening examinations.

At the 8 providers we visited, the examining physicians had noted conditions requiring treatment in 16 of the 63 eligible children screened. The medical files showed that 15 of the 16 children had

been treated or referred to a clinic or hospital for treatment by the examining physician; the remaining child had not returned to the physician's office for scheduled treatment.

Officials at the two demonstration projects we visited had established manual controls to follow up on scheduled services to help insure that children received scheduled screening examinations and treatment. Under Medichek, State officials plan to provide an automated followup system for scheduled services. Public Health is to periodically prepare computer printouts listing eligible children due to receive scheduled screening examinations or treatment. This information will be furnished to the appropriate outreach workers, who will be responsible for (1) reminding and encouraging families to have their children examined or treated and (2) reporting the results of family visits for treatment to the State for entry into the automated data bank.

CONCLUSIONS

The EPSDT program in Illinois got a late start primarily because HEW did not issue regulations for more than 2 years after EPSDT became a required service. The late start has delayed the early and periodic screening of many children, which, in turn, delayed the identification and treatment of physical and mental problems in these children.

When HEW issued its regulations, Illinois established interim procedures to initiate the program. However, a number of factors impeded orderly progress, and difficulties, such as the State's problem in establishing responsibility for program management, were experienced. In addition, outreach activities were not adopted by all those participating in the program.

The State is making progress, and officials of the State Departments of Public Health and of Public Aid are optimistic that eligible children will get the services to which they are entitled under the act. Information systems are being established, and outreach activities are being improved and extended. Followup procedures are being established and implemented to insure that children obtain needed services. These actions should lead to increased screening of eligible children and help insure that treatment is received.

We did not obtain written comments from the Federal or State agencies involved in administering the EPSDT program. However, we did discuss the matters in this report with Federal and State officials.

We plan to issue a report to you on the nationwide implementation of EPSDT in mid-1974. That report will include an update of our findings on the implementation of the Illinois EPSDT program and our recommendations for improving the national EPSDT program.

We do not plan to distribute this report further unless you agree or publicly announce its contents.

Sincerely yours,

Deputy Comptroller General
of the United States