



Toolkit: Data Sharing for Child Welfare Agencies and Medicaid

The U.S. Department of Health and Human Services Administration for Children and Families (ACF) and Centers for Medicare & Medicaid Services (CMS) jointly offer this technical guide to state title IV-E and Medicaid agencies to assist and support the development of automated, bi-directional (two-way) data exchanges between their respective information systems for children and youth who are under the placement and care responsibility of a title IV-E agency pursuant to a court order or voluntary placement agreement. Timely, effective data sharing provided within the parameters of federal law helps to ensure this vulnerable population of children and youth receive the health care services and care coordination they need. Children in foster care have higher rates of physical and behavioral health care needs compared with children without a history of foster care involvement.¹ To meet the often-complex health care needs of children and youth entering foster care, they must receive timely initial health assessments and be connected to necessary services. Timely access to health services can lead to improved health outcomes for youth during and beyond their placement.

This document describes the population served by both agencies, provides the legal framework for sharing information, summarizes the opportunities and benefits of sharing data, provides tips for overcoming challenges, provides guidance for establishing partnerships and developing a strategic design for bi-directional data exchanges, highlights examples of successfully operating state and locally administered data exchanges and finally, provides cost-allocation guidance. *The information and recommendations herein do not establish requirements or supersede existing laws or official guidance.*

The document is organized as follows:

- **Background** provides information regarding children and youth who are under the placement and care responsibility of the title IV-E agency.
- **Legal Framework** provides information on the legal considerations of sharing data.
- **Data Sharing Between Agencies** explains the data sharing that can be conducted between the title IV-E and Medicaid agencies, the benefits for both agencies and beneficiaries, common challenges to consider, and interagency partnerships and building a strategic design.
- **Exchange Models and Methods** provides information on and examples of successfully operating data exchanges, categories of data that may be shared between title IV-E and Medicaid agencies, triggers for data sharing, frequency of data sharing and interagency agreements (IAA) for data sharing.
- **Cost Allocation and Claiming** provides information on cost allocation for title IV-E and Medicaid agencies.
- **Appendix A – Sample Memorandum of Understanding**
- **Appendix B – Regulatory and Legislative Resource Material**
- **Appendix C – Data Sharing Resources**
- **Appendix D - Glossary of Acronyms and Terms**

¹ Turney, Kristin and Wildeman, Christopher. Mental and Physical Health of Children in Foster Care. Pediatrics 2016, 138 (5) e20161118. <https://doi.org/10.1542/peds.2016-1118>

Background

Youth in foster care have higher levels of physical, oral, and behavioral health issues than children in the general population.² To address these challenges, state and tribal title IV-B and IV-E agencies must develop a plan for the ongoing oversight and coordination of health care services for any child in a foster care placement, which shall ensure a coordinated strategy to identify and respond to the health care needs of children in foster care placements.³ The ACF's Children's Bureau (CB) periodically reviews the extent to which 1) children receive adequate services to meet their physical and mental/behavioral health needs and 2) families can provide for their children's needs.⁴

Medicaid is a jointly administered program between states and CMS. CMS's Center for Medicaid and CHIP Services (CMCS) is responsible for policy development and implementation of Medicaid and CHIP federal law, regulation and policies. Specifically, CMCS ensures that states operationalize the Medicaid program for foster care children under federal law, regulations and policy, and supporting state efforts to improve health outcomes for the foster care population.

This technical guide pertains to children and youth in foster care under the responsibility of a state or a tribe regardless of whether funded with title IV-E funds or with only state, tribal or local funds, and who are eligible for medical assistance under the Medicaid program. Foster care means 24-hour substitute care for children placed away from their parents or guardians and *for whom the state or tribe has placement and care responsibility*.⁵ This means that the youth has been removed from the parent or specified relative by a court order or a voluntary placement agreement reviewed by the court within 180 days of removal.⁶ Youth in foster care may be placed in foster family homes, foster homes of relatives, group homes, emergency shelters, certain residential facilities, child care institutions, and pre-adoptive homes, among others. A youth is in foster care under this definition regardless of whether the foster care placement is licensed and payments are made by the state, tribal or local agency for the care of the child, whether adoption subsidy payments are being made before the finalization of an adoption, or whether there is title IV-E federal matching of any payments made.

Virtually all youth in foster care are eligible for Medicaid based on either their receipt of title IV-E assistance or their inclusion in mandatory or optional categorical Medicaid eligibility groups as defined in the Medicaid state plan. A youth on whose behalf a title IV-E foster care maintenance payment is made is categorically eligible for Medicaid.⁷ A youth in foster care who is not eligible for payments

² Congressional Research Service. (November 19, 2014). Child Welfare: Health Care Needs of Children in Foster Care and Related Federal Issues. Report for Congress retrieved from: https://greenbook-waysandmeans.house.gov/sites/greenbook.waysandmeans.house.gov/files/R42378_gb.pdf

³ See section 422(b)(15) of the Act

⁴ See CFSR Fact Sheet for Mental Health Professionals:

https://www.acf.hhs.gov/sites/default/files/documents/cb/cfsr_mentalhealth_factsheet.pdf; See CFSR Fact Sheet for Substance Abuse Treatment Professionals:

https://www.acf.hhs.gov/sites/default/files/documents/cb/cfsr_substanceabuse_factsheet.pdf

⁵ 45 CFR 1355.20

⁶ See section 472(a)(2) of the Act.

https://www.acf.hhs.gov/sites/default/files/documents/cb/title_iv_e_review_guide.pdf

⁷ See sections 472(h), 473(b)(3)(B) and 1902(a)(10)(A)(i)(I) of the Act; and 42 CFR 435.145.

under title IV-E may otherwise be eligible for Medicaid consistent with the Act, implementing regulations and the state's Medicaid state plan.⁸ Children under age 19 in foster care but not receiving title IV-E payments are often eligible for Medicaid because only the child's income is considered for Medicaid eligibility when the child is living in a home that does not include a biological, adoptive, or step parent. These youth may also meet the Medicaid requirements for eligibility on another basis, such as receipt of Supplemental Security Income (SSI) benefits.

Legal Framework

Child Welfare

Child welfare agencies are subject to title IV-B/IV-E requirements to provide safeguards against the improper use and disclosure of confidential information about individuals assisted under title IV-B/IV-E plans.⁹ The laws and regulations authorize agency disclosure of otherwise confidential information only for certain purposes directly connected with the administration of the title IV-B/IV-E plans.¹⁰ For example, the title IV-E agency may share health and education information with a foster parent since title IV-B/IV-E requires this specific set of information be provided to the foster parent. There may be other confidential information that the title IV-E agency may share with the foster parent, however, it must be within the parameters set in the law. These protections apply to any re-disclosure of that information by the authorized recipient.¹¹ Part of the process for a child welfare agency to disclose otherwise confidential information under titles IV-B/IV-E is a careful consideration of all confidentiality protections, including those at the federal, tribal, state, and local levels.

In June 2016, ACF promulgated federal regulations setting forth the requirements a title IV-E agency must meet to receive federal financial participation for the planning, design, development, installation, and operation of a data collection and information retrieval system called the Comprehensive Child Welfare Information System (CCWIS).¹² Federal regulations require title IV-E agencies that choose to develop a CCWIS to implement, to the extent practicable, 11 bi-directional data exchanges to share relevant data with other health and human service systems (45 CFR 1355.52(e)), including two MES

⁸ See section 1902 of the Social Security Act and implementation regulations at 42 CFR part 435. For example, the group for infants and children under age 19 is authorized under sections 1902(a)(10)(A)(i)(III), (IV), (VI) and (VII); 1902(a)(10)(A)(ii)(IV) and (IX); and 1931(b) and (d) of the Act; and is implemented at 42 CFR 435.118.

⁹ The majority of federal funding provided to states for child welfare is through titles IV-B and IV-E of the Social Security Act.

¹⁰ 42 U.S.C. §671(a)(8)(A), 45 CFR §1355.21(a) and 45 CFR §205.50

¹¹ 45 CFR §205.50(a)(2)(ii). For example, the title IV-E agency may disclose certain health information to foster parents at the time of each placement to avoid health risks, such as a lag in medical care or duplicative medical care. Foster parents are under the same requirements to provide safeguards against the improper use and disclosure of confidential information as the title IV-E agency.

¹² Federal regulations for CCWIS (45 CFR §1355.50-59) replaced the federal regulations for Statewide Automated Child Welfare Information Systems and Tribal Automated Child Welfare Information Systems (S/TACWIS) that also required title IV-E agencies that elected to implement a S/TACWIS to create an automated bi-directional data exchange with the system used to determine Medicaid Eligibility described in 42 CFR 433.111(b)(2)(ii)(A). The original SACWIS final rule implemented section 13713 of the Omnibus Budget Reconciliation Act of 1993 (Pub. L. 103-66).

functions: Eligibility/Enrollment and Claims/Encounter Data Processing. Implementing a CCWIS is optional, however, if a title IV-E agency chooses to implement a CCWIS, it must implement these two bi-directional data exchanges. While federal regulations require title IV-E agencies implementing CCWIS to maintain available medical services information received from the MES, it does not require that the CCWIS maintain a foster child's entire medical history. Title IV-E agencies that do not choose to develop a CCWIS may optionally decide to build an exchange with these Medicaid information systems. While only CCWIS systems are required to implement these exchanges, ACF encourages all title IV-E agencies to build such exchanges.

Medicaid

Section 1902(a)(7) of the Act allows state Medicaid agencies to share information with other agencies only if it is directly related to administration of the state Medicaid plan. As implemented at 42 CFR 431.302, these purposes include establishing eligibility, determining the amount of medical assistance, and providing services for beneficiaries.

Medicaid agencies wishing to exchange information with other agencies must execute a data exchange agreement restricting and safeguarding the types of information that can be released.¹³ When releasing information to another agency, access to Medicaid information about applicants or beneficiaries must be restricted to persons or agency representatives who are subject to standards of confidentiality comparable to those of the Medicaid agency.¹⁴ In addition, when Medicaid agencies agree to share data the agency must obtain consent from the individual before his/her data are shared.¹⁵ There are three exceptions to the requirement to obtain consent from the individual which are if the information will be used: 1) to verify income; 2) eligibility; or 3) the amount of medical assistance provided. If the information will be provided in an emergency situation, which does not permit obtaining consent before release of the information, the state must notify the family or individual immediately after release of the information.¹⁶

Data Sharing Between Agencies

This document addresses three information systems:

1. CCWIS,¹⁷ which is an optional child case management information system that title IV-E agencies may develop to support their child welfare program needs, including foster care, guardianship and adoption assistance, and services provided to former foster care youth eligible for Medicaid until age 26.¹⁸

¹³ See 42 CFR 431.306(g).

¹⁴ See 42 CFR 431.306(b).

¹⁵ See 42 CFR 431.306(d).

¹⁶ See 42 CFR 431.306(d).

¹⁷ See 45 CFR 1355.50-59

¹⁸ See section 1902(a)(10)(A)(i)(IX) of the Social Security Act; 42 CFR 435.150

2. Medicaid Enterprise Systems (MES), which include:
 - A. Eligibility and Enrollment (“Medicaid eligibility systems”),¹⁹ which state title XIX Medicaid agencies use to support processes to determine eligibility of applicants and beneficiaries for Medicaid and CHIP
 - B. Mechanized Claims Processing and Information Retrieval Systems,²⁰ which state Medicaid agencies use to process and record data about services provided to Medicaid beneficiaries.

Opportunities and Benefits

The exchange of data between child welfare and Medicaid agency systems provides both agencies with additional tools and resources to support the coordination of, and access to, needed treatment and age-appropriate preventive services. These treatments and preventive services promote the well-being of children and youth under the placement and care responsibility of the title IV-E agency who receive Medicaid. These exchanges improve health outcomes for children and youth in the placement and care responsibility of the title IV-E agencies receiving services under both title IV-E and Medicaid through the exchange of timely, accurate, and quality information.

Data sharing supports improved health outcomes by enabling timely assessment of health care needs, comprehensive care management and ensuring continuity of care across placements. This is critical for children and youth with complex behavioral health needs, chronic conditions or other specialty health care needs. Information from a title IV-E agency can help identify the children who are at risk or fit into these categories, and can allow agencies to explore the cost-effectiveness and outcomes of their health care.

Data sharing may contribute to a youth’s positive health outcomes by avoiding:

- Inconsistent or duplicative access to continuous health care across multiple placements, such as missed or delayed routine care or duplicative immunizations;
- Overlooked or untreated physical, dental, behavioral or mental health needs that should be continued from a previous foster care placement; and
- Misuse or abuse of psychotropic or other drugs.

Data exchanges authorized under 45 CFR 1355.52(e)(2)(iii) provide opportunities for administrative simplification and coordination of care that may assist both title IV-E and Medicaid in reaching short- and long-term outcomes of health care and by supporting child and youth well-being, permanency and safety measures. The benefits of data exchange may include:

¹⁹ See 42 CFR 433.111(b)(2)(ii)(A) Eligibility and Enrollment (E&E) system definition

²⁰ See 42 CFR 433.111(b)(2)(ii)(B) Medicaid Management Information System (MMIS) definition

- Administrative Simplification:
 - Automatic enrollment in Medicaid for children and youth receiving title IV-E
 - Children and youth receiving foster care maintenance payments, kinship guardianship assistance payments, or who have an adoption assistance agreement under title IV-E are automatically eligible for Medicaid.²¹ The data exchange supports improvements for streamlining the determination of categorical Medicaid eligibility, reducing cost and burden (time) for both staff and clients.
 - Streamlined enrollment and avoidance of gaps in coverage for youth formerly in foster care, up to age 26
 - The data exchange would help the state Medicaid agency identify youth in foster care about to age out of foster care and may be eligible for Medicaid up to age 26, providing an important data element during the Medicaid redetermination process, and supporting uninterrupted access to services while reducing cost and burden.
 - Accurate health records for children under the placement and care responsibility of the title IV-E agency
 - Pursuant to §475(1)(C) of the Act, title IV-E agencies must include the names and addresses of the health and educational providers; immunizations; known medical problems; medications; and any other relevant health and education information about the child determined to be appropriate by the title IV-E agency in the youth's health record.
- Coordination of Care:
 - Increasing the access to and quality of health care for foster care children
 - Focusing coordination of care across systems and government programs
 - Comprehensive information about family dynamics and family support systems may inform health care planning or other approaches to service delivery where Medicaid-funded care management is provided.
 - Coordination of care should ensure quality of care and improve health outcomes for clients.
 - Eliminating duplication of services
 - Identifying gaps in care or unmet needs
- Improving Program Integrity/Effective Administration:
 - Ensuring accurate payment for services
 - Eliminating duplicate payments for same services
 - Medicaid agencies could use child welfare data from CCWIS to address questions related to what services are covered, duplication of payment and/or service(s) issues, and any third party liability issues.

²¹ See §473((b)(3) of the title IV-E Act

- Identifying fraud and abuse
 - As demonstrated in one state, providing the Medicaid agency with a record of services authorized by the title IV-E agency may reduce fraud by some medical service providers by enabling the Medicaid agencies to validate payment claims against the services the IV-E caseworker has authorized, or by simply identifying anomalies in service claims that would warrant increased examination.
- Finding efficiencies and decreasing cost of care
- Monitoring Care Longitudinally:
 - Ensuring appropriate care over time
 - Measuring health outcomes and the effectiveness of care
 - Data about children in foster care may help Medicaid agencies track and measure the cost effectiveness of services, and pursue early intervention efforts aimed at improving outcomes and reducing future costs for children with significant health needs. For example, this could include tracking children's health care services and costs throughout childhood to examine the ability of early intervention to avert more costly health care.²²
 - Estimating cost avoidance of interventions
 - Child welfare case planning that incorporates full knowledge of a child's health conditions and risks may locate services that offer alternatives to restrictive and high cost settings that may be reimbursed by Medicaid, and can help promote clinical or behavioral outcomes and minimize recidivism or the use of long-term care.
 - Cost and service benefits may accrue from providing timely follow-up services to address depression and anxiety indicators identified through an EPSDT screening or other diagnostic service.²³

Challenges and Considerations

Historically, a common challenge faced by title IV-E and Medicaid agencies when implementing exchanges is determining whether the agencies have the authority to share data with each other. Because the exchange of Medicaid and title IV-E data between the agencies will benefit both the Medicaid beneficiaries and Medicaid agencies as described in Opportunities and Benefits section (p. 5),

²² The Centers for Medicare & Medicaid Services (CMS), in collaboration with the Children's Bureau within the Administration for Children and Families (ACF), launched the Foster Care Learning Collaborative on Improving Health Care for Children and Youth in Foster Care. States interested in improving care for children and youth in foster care are invited to join an affinity group focused on designing and implementing data-driven QI projects to improve timely health care for these children and youth. <https://www.medicaid.gov/medicaid/quality-of-care/improvement-initiatives/foster-care-learning-collaborative/index.html>

²³ Incorporating mental health services in systems of care provides opportunities to address mental/behavioral issues before they become chronically entrenched, and for parents may become optimistic through early treatment for healthy development, and may be more receptive to adaptive childrearing practices: <https://psycnet.apa.org/fulltext/2010-25201-001.html>. Also see EPSDT as a Pathway toward Trauma-Informed Care for Children with Medicaid Coverage: <https://www.ncmedicaljournal.com/content/79/2/120>

information about an applicant or beneficiary may be shared for the purposes described in the Legal Framework section (see p. 3-4). We note that the Medicaid agency must obtain consent before release of an individual's data, unless it is to verify income, eligibility, or the amount of medical assistance, under 42 CFR 431.306(d). This consent must come from the individual, a parent or guardian of the individual, or an authorized representative of the individual whose data would be exchanged. Determining who has the authority to consent to treatment and associated release of medical information when the title IV-E agency has placement and care responsibility for a child, varies by state.²⁴

Other common challenges and mitigating steps a title IV-E agency should consider before building an exchange include:

- Interagency Planning and Agreement:
 - Agreeing to plan to maintain and enhance an ongoing data exchange
 - Naming a mutually satisfactory coordinator to lead and engage stakeholders
 - Allowing time for planning and goal-setting for data integration between the two information systems
 - Formalizing agreements on the data elements to be shared, including the need and security of the agreed upon data elements
 - Drafting and finalizing a Memorandum of Understanding (MOU) or IAA that includes legal authority for disclosure, transmission, receipt, and retention of information
- Designing and Developing Exchanges:
 - Developing business requirements to define data and align the development plan with the needs and priorities of all programs
 - Establishing automated processes to support data quality, such as accuracy, completeness, and timeliness
 - Developing common identifiers for children, youth, and families to better understand needs of children, youth and families receiving services from both the child welfare and Medicaid programs
 - Defining protocols for electronically sharing information with other parties, identifying secured access protocols, safeguarding confidentiality, and personal identifying information

Establishing an effective data exchange can help align the processes of two agencies who serve the same client in different ways. Agencies often establish formal interagency data governance programs with leadership who recognize the importance of data sharing, a commitment to quality data, authority over resources, and a practice of partnering with agency stakeholders to facilitate the alignment of agency interests for mutual benefit.

²⁴ For example, Kansas policies may be found at:

http://content.dcf.ks.gov/PPS/robohelp/PPMGenerate/PPS_Policies/5000_Child_Welfare_Case_Management/524_4_Consents.htm; Vermont policies may be found at: <https://dcf.vermont.gov/sites/dcf/files/FSD/Policies/77.pdf>; Indiana policies may be found at: <https://www.in.gov/dcs/files/8.26-Authorization-for-Health-Care-Services.pdf>

An effective data exchange and a focus on overall data quality, as measured in timeliness, completeness, and accuracy of current data, supports positive impacts on both child welfare and Medicaid outcomes for youth. This can reduce or eliminate a reliance on manual processes and manual preparation of documents. This can also align child welfare and Medicaid practice for shared goals and measurable outcomes for safety, well-being, and permanency.

Automated data exchanges increase privacy protection by focusing on access controls, and also provide the opportunity for automation methods that promote both data security and data quality. However, lack of data exchange protocols could increase privacy risk, especially if staff members share data through less formal or ad hoc communication channels (such as unencrypted email, fax, postal mail, etc.).

Partnerships and a Strategic Plan

Creating a strategy from overlapping goals of title IV-E and Medicaid agencies begins with awareness of the common needs and a desire to create solutions to meet shared objectives. To be most effective, all solutions should be based on best practices that lead to better outcomes for children, youth, and families and promote effective and efficient administration of the Medicaid and title IV-B/IV-E programs. The strategic plan should focus on safety, well-being, and permanency; meeting legislative and regulatory mandates; and supporting the health care needs of the youth in foster care.

The CB and its Capacity Building Centers for the States,²⁵ and CMS are available to assist states in discussing the possibilities of creating exchanges and to provide technical assistance to help support exchange-related efforts.

Data Exchange Models and Methods

The Medicaid agency typically manages its claims and eligibility functions in one of two ways: in a single integrated system that processes both Medicaid eligibility and claims, or as separate systems with one responsible for processing Medicaid eligibility and the other claims. These systems may be implemented with only Medicaid functionality, or they may be implemented by leveraging the resources of multiple state agencies in an enterprise system.

A title IV-E agency's CCWIS data exchange with systems operated by the Medicaid agency may be developed based on how the Medicaid agency information systems operates. If the Medicaid agency operates a single integrated Medicaid eligibility and claims processing system, then a single bi-directional data exchange to this single integrated system satisfies the requirement for the MES. Alternatively, if the Medicaid agency operates more than one information system, then the title IV-E agency may build one bi-directional data exchange to meet the requirements of §1355.52(e)(2)(iii)(A) and a second exchange to meet the requirements of §1355.52(e)(2)(iii)(B).

Typically, data may be exchanged through either a bi-directional or a one-way transmission. In automated bi-directional exchanges, information is transmitted automatically and electronically

²⁵ <https://capacity.childwelfare.gov/states/>

between two information systems (this is the type required by the regulations for a CCWIS). In these exchanges, the information may originate in either system and be transmitted to the other, which in turn processes it and, as required by the data exchange agreement, sends a reply. This process may be repeated multiple times to complete a single business flow. Alternatively, one-way transmissions consist of data sent from one information system to another information system, with no data sent in return.

To support a one-way or bi-directional data exchange, agencies should start with a common data model that defines the data to be shared to ensure it is used and interpreted in the same way across organizations. An example adopted in human services environments is the National Information Exchange Model (NIEM),²⁶ which provides both a common, government-wide data model and a well-defined data exchange development process. Whatever approach is taken, it is critical to ensure data are understood by both parties and conform to shared expectations regarding definitions, format, and quality.

Triggers to Exchange Data

Data sets are transmitted based on agreed-upon triggers established in the planning and development of the data exchange. From a child welfare information system, the triggers may be:

- Initial date of removal
- Initial placement
- Change in placement – including exiting foster care
- Determination of, or change to, the level of care, including prescription or treatment changes

From a Medicaid information system, the trigger to send data might be based on a:

- Medicaid eligibility determination (including termination) for youth
- Service authorization for youth
- Claims submission for services, such as a comprehensive health assessment
- Event Alert notification (such as Emergency Room admission)
- Change of address
- Change in eligibility group
- Scheduled frequency and method of data exchange

The frequency of the exchange is negotiated between the involved partners and may be real-time, nightly, weekly, or in some other pre-determined cycle. Data exchanges conclude at the negotiated time such as when a child's removal has an end-date entered in the child welfare information system (a trigger).

Data exchange methods may depend on one or more approaches such as a batch process; a real-time, on-demand, online data exchange; a secure file transfer protocol (SFTP); an electronic

²⁶ <https://www.niem.gov/>

document exchange (also known as an e-file); reciprocal user access to systems; or a hard copy exchange, if required by state or tribal law. While these methods are not automated, all triggers, frequency, and transmission methods depend on the planned strategy jointly developed by agency leadership. As mentioned, if the Medicaid agency operates more than one information system, then the title IV-E agency may build one bi-directional data exchange to meet the requirements of §1355.52(e)(2)(iii)(A) and a second exchange to meet the requirements of §1355.52(e)(2)(iii)(B). These exchanges may be developed separately. Any method of data exchange must meet security, and privacy standards under federal regulations and policies. Each agency should assess individual methods for exchanging data to ensure they comply with §1355.52.

Interagency Data Sharing Agreement

Both ACF and CMS strongly encourage title IV-E and Medicaid agencies to enter into interagency data sharing agreements to implement automated bi-directional data exchanges between the agencies' information systems. To establish a data exchange, leadership from both agencies should develop and enter into written agreements, for example a Memorandum of Understanding (MOU) or an Interagency Agreement (IAA). These agreements will encompass a data governance plan that will clarify each agency's responsibility about the sharing and use of case and child data, consistent with federal and state confidentiality provisions. These agreements should contain explicit rules governing consent, the intended benefit of the exchange, and which elements should be exchanged and when.

Regardless of the approach used, agencies should keep in mind that as laws, policies, and practices change, the data exchange, and any agreements related to the exchange, should be updated to reflect those changes. Agreements should, therefore, be made as 'living' documents that can be updated. To support the potential for change, each agency should document key personnel from IT and program offices responsible for updating the agreements.

An Interagency Data Sharing Agreement is created through collaboration between two or more agencies. The document describes the terms of an agreement by defining certain data sharing terms, such as who, what, where, when, why and how the data shall be exchanged, and for how long the data should be retained. In this way, the agreement should address the business rationale for why the exchange is needed and the process to maintain the exchange. The rationale included in the exchange should support the business needs and administrative processes of both agencies and their common clients.²⁷

The following table provides examples of basic information that may be included in written agreements:

²⁷ See 45 CFR 1355.52(a) and 42 CFR 433.112(b)(1)

Table 1: Interagency Data Sharing Agreement or Memorandum of Understanding Content

Content Area	What to Do
General Information – Parties Involved	Identify names/addresses/phone numbers of the organizations and agencies involved in the agreement. Identify succession protocol if stakeholders change.
General Information – Purpose of Agreement	State, in nontechnical language, the reason(s) for which the entities are entering into the agreement. Include terms and conditions for necessary modification(s).
Justification for Access	Specify interests directly related to the title IV-E agency and Medicaid agency. ²⁸ Interests must be related to a specific Medicaid purpose, such as those provided in the “Opportunities and Benefits” section of this document.
Agreement – Key Personnel Responsibilities	Define executive personnel for each agency responsible for implementation of the data exchange.
Agreement – Access	Define the terms and permissions for users to be designated in order to obtain information, privileges of authorized personnel, any technical requirements, and archive/purge expectations.
Agreement – Destruction of Records	Identify the requirements for record retention (i.e., the requirement to destroy personal identifying information from records according to applicable statutes) and specify the time when information must be destroyed.
Data Elements – Examples of Data Categories	Determine the data elements to include in the exchange, such as those defined in the “Data sharing between CCWIS and the MMIS” section of this document. ²⁹
Technical Specifications – Method of Data Access or Transfer	Define and describe the data to be accessed, the frequency of automated data exchanges, and the method of data sharing.
Technical Specifications – Data Quality	Specify quality expectations for data shared by each agency, such as accuracy, completeness, and timeliness.

²⁸ For Medicaid agency, it must be related to purpose of Medicaid state plan, per section 1902(a)(7) of the Act and 42 CFR 431.301. 42 CFR 431.302 lists acceptable purposes.

²⁹ Data elements must also be consistent with purpose of Medicaid state plan, per section 1902(a)(7) of the Act and 42 CFR 431.301. 42 CFR 431.302 lists acceptable purposes.

Content Area	What to Do
Technical Specifications – Installation	Cooperate with the respective entities’ required installation of necessary software, security features, and any security technical requirements before being granted access to each other’s data.
Confidentiality Specifications – Confidentiality	<p>Federal regulation specifically allows disclosure of otherwise confidential information for purposes directly connected with the administration of the title IV-B/IV-E plans,³⁰ and Medicaid agencies may only share information with other agencies if it is directly related to administration of the state Medicaid plan,³¹ subject to restrictions in statute and regulations.</p> <p>In this section, identify the specific safeguards to which each agency must adhere to assure the security of confidential information, such as individually identifiable records. This could be accomplished through required individual employee training, including signed acknowledgement of confidentiality and privacy requirements if needed, and whether those must be re-signed periodically at an established time. Retention timeframes for employee agreements should also be detailed here. Define any specific responsibilities when sharing information and any restrictions on use of the information shared and circumstances that must be met in order to receive data from either agency.</p>
Confidentiality Specifications – Data Breach	<p>Establish a protocol for determining if there has been a data breach, meaning confidential information (such as personal identifying information) has been inappropriately shared. Under this protocol, the Medicaid agency and title IV-E agency must consider access protocols, confidentiality constraints and exposure risks should a data breach occur. Requirements for notification of inappropriate access should also be included.</p>

³⁰ See 45 CFR 1355.21(a) and 1355.52(d)(1)(iii). See also 45 CFR 1356.

³¹ See section 1902(a)(7) of the Social Security Act, see also, 42 CFR 431.301

Content Area	What to Do
Confidentiality – Data Security	Identify security requirements for each agency’s information system. For example, data in transit (i.e., being exchanged) must be secured, such as by encrypting the information to prevent unauthorized access.
Administrative Specifications – Assurances	Define the legal assurances that must be acknowledged by each agency for receipt of the data.
Administrative Specifications – Legal Framework	Document the legal framework of exchanging the agreed upon data, including any indemnity issues.
Administrative Specifications – Terms	Define the effective dates of the agreement, whether it can be renewed, and if so, for the established time period. Include how modifications to the agreement will be handled and how the agreement can be terminated.
Administrative Specifications – Training	Define the coordination of training for authorized users of each agency on shared data.
Administrative Specifications – Signatures	Include a signature box for the name of the agency, the name and the title of the person signing, and date of signature by an individual with legal authority to bind the entity.

Example Data Sharing Categories

The following are non-exhaustive lists of potential categories of data that could be shared in a bi-directional data exchange between Medicaid and title IV-E agencies. There are two tables in this section. The first table describes categories of child welfare data that the title IV-E agency may share with the Medicaid agency and how that data may support the administration of the state Medicaid plan. The second table describes categories of Medicaid data that the Medicaid agency may choose to share with the title IV-E agency and how that data may support the administration of the title IV-E plan.

Tables: Table 2 and 3 show data categories for Medicaid eligibility systems, while tables 4 and 5 show data categories for MMIS systems. In both tables, the title IV-E data category is simply shown as “Child Welfare”.

For the title IV-E and Medicaid eligibility system exchange, the data exchanged must support the goals of serving clients and improving outcomes by sharing data required for purposes such as reporting, program administration, Medicaid eligibility determinations, and audits. Note: CMS and ACF may review

the proposed data elements included in the bi-directional data exchange through the Advance Planning Document (APD) process.³²

The following table lists categories of eligibility data that title IV-E and Medicaid agencies may identify as relevant for data exchanges between the two state agencies.³³

Table 2: Exchange Data Categories - Child Welfare to Medicaid Eligibility

Data Category – Child Welfare	How it Supports Medicaid Eligibility
Demographics , such as name, address, and date of birth	This data is used to match persons across systems and maintain contact with all involved parties.
Foster Care Placement , such as IV-E or state maintenance payment, date of removal, and date of aging out	This data is used for Medicaid eligibility determination and to trigger redetermination of Medicaid eligibility.
Income Data , to the extent available	This data may be used for Medicaid eligibility determination or redetermination of Medicaid eligibility based on change in circumstance.

Table 3: Exchange Data Categories - Medicaid Eligibility to Child Welfare

Data Category – Medicaid Eligibility	How it Supports Child Welfare
Demographics , such as name, address, and date of birth	This data is used to match persons across systems and maintain contact with all involved parties.
Medicaid Eligibility Data , such as eligibility determinations and terminations and Medicaid identification number.	This data is used to track Medicaid eligibility, avoid or prevent duplicate data entry, ensure providers have the Medical identification number for the child, and support the provision and maintenance of appropriate care and services for children. Title IV-E agencies will be able to support enhanced provision and coordination of care through review and data analytics of information provided by the Medicaid agency.

³² See 45 CFR 95 Subpart F

³³ See 42 CFR 431.302

Similarly, for the MMIS bi-directional data exchange, the title IV-E and Medicaid agencies determine what data to collect and share to support agency defined reporting, program, and audit requirements.

The medical services data transmitted via this exchange with the CCWIS may include:

Table 4: Exchange Data Categories - Child Welfare to Medicaid Claims

Data Category – Child Welfare	How it Supports Medicaid Claims
Demographics , such as name, address, and date of birth	This data is used to match persons across systems and maintain contact with all involved parties.
Title IV-E Authorization for Services that are Potentially covered by Medicaid	This data is used to calculate and track Medicaid eligibility, avoid or prevent duplicate data entry, capture Adoption Foster Care Analysis Reporting System (AFCARS) data, provide historical information related to a child’s health care needs, and support enhanced data analytics. Data may be used to provide for better coordination of care, determining first payer, or avoiding duplicate payments.

Table 5: Exchange Data Categories - Medicaid Claims to Child Welfare

Data Category – Medicaid Claims	How it Supports Child Welfare
Demographics , such as name, address, and date of birth	This data is used to match persons across systems and maintain contact with all involved parties.
Medical Services data , such as services received by the child, providers seen, medical appointments, screenings, follow up appointments, and immunizations, including service dates	This data is used to support maintaining complete, timely, and accurate health care information for youth in foster care and receiving adoption assistance and to reduce duplication of services.
Records of Medications Administered or Prescribed , including psychotropic medications	This data is used to track whether the child has received the appropriate care, based on the needs documented in the child’s case plan and reduce the possibility of duplicate or unnecessary medications.
Chronic Conditions Data , such as allergies and surgical history	This data is used to track on-going health care needs of the child in relation to their case plan. Such data may be used to better coordinate care and manage disease.

Data Category – Medicaid Claims	How it Supports Child Welfare
Behavioral Health Services Data that can be Shared , including behavioral assessments, diagnoses, and treatment plans	This data is used to track on-going behavioral health care needs of the child in relation to their health care plan and improve coordination of and delivery of necessary care.

Cost Allocation for CCWIS and Medicaid Bi-Directional Data Exchanges

Title IV-E CCWIS cost allocation may be available for certain costs associated with data sharing between the title IV-E and title XIX Medicaid agencies, including:

- Costs to export data from CCWIS to the data exchange,
- Costs to import data from the data exchange into CCWIS, and
- Costs for other changes to the CCWIS to support the data exchange.

Title IV-E funding is not available for modifications to Medicaid information systems to support the data exchange.

Title XIX Medicaid funding may be available for certain costs associated with data sharing between the IV-E and title state Medicaid agencies. Such costs may include:

- Costs to export data from the state Medicaid system to the data exchange,
- Costs to import data from the data exchange into the Medicaid system, and
- Costs for other changes to the Medicaid system to support the data exchange.

Medicaid funding is not available for modifications to CCWIS to support the data exchange.

Cost allocation and APD principles regarding CCWIS and Medicaid are addressed in Titles 42 and 45 of the CFR:

- 45 CFR Part 95, Subpart F describes the APD information on the procedures and documentation required for requesting federal financial participation (FFP) for CCWIS and Medicaid projects.
- 45 CFR §1355.57 describes the CCWIS cost allocation regulations applicable to all projects.
- 45 CFR §1355.52(j) lists the APD regulations applicable to projects under APD submission thresholds.
- 45 CFR Part 95 subpart E indicates that the title IV-E agency will have an approved cost allocation plan on file with the Department. Subpart E also sets forth the effect on FFP if the requirements contained in that subpart are not met.

- 42 CFR §433.34 Cost allocation: A state plan under title XIX of the Social Security Act must provide that the single or appropriate Agency will have an approved cost allocation plan on file with the Department in accordance with the requirements contained in 45 CFR part 95 subpart E. Subpart E also sets forth the effect on FFP if the requirements contained in that subpart are not met.

Appendix A - Sample Memorandum of Understanding

The following is an outline of a Memorandum of Understanding (MOU), which may be used as the basis of a data-sharing agreement between Medicaid and title IV-E agencies. It highlights the structure and conditions typically used in such MOUs. This is shared simply as an example; states should consult with their legal counsel to ensure that any MOUs they develop comply with all applicable federal, state, and local laws.

MEMORANDUM OF UNDERSTANDING
(INFORMATION SHARING AGREEMENT)
BETWEEN

THE XXX DEPARTMENT OF HUMAN SERVICES, AND THE YYY DEPARTMENT OF HEALTH
SERVICES

Effective from **Date-Date (no more than blank years allowed)**

I. Parties:

II. Background:

III. Purpose of the MOU:

IV. Legal Authority for sharing records:

V. Provisions of Agreement:

- a. The Medicaid Systems/Child Welfare Systems Project is committed to:
- b. Responsibility of Partners
- c. Interface Workgroup
- d. Progress Reports

VI. Access Rights

VII. Data Transfer

VIII. Data Security:

- a. Data Storage
- b. Distribution

IX. Points of Contact:

Department of Health Services

Name

Title

Phone

Email

Name

Title

Phone

Email

Department of Human Services

Name

Title

Phone

Email

Name

Title

Phone

Email

X. Termination

APPROVAL:

Department of Health Services

Name
Title

Date: _____

Name
Title

Date: _____

Department of Human Services

Name
Title

Date: _____

Name
Title

Date: _____

Appendix B – Regulatory and Legislative Resource Material

The following table details the statutory and regulatory sections relevant to data collection for States, Tribes, Title IV-E Agencies, and Medicaid Agencies discussed in this document. Automated data exchanges facilitate sharing this data and reduce the data collection burden on children and families.

Regulation / Citation Title	Regulation Brief Highlights	Data Elements or Requirements for Reporting	URL Location
<i>Mechanized Claims Processing and Information Retrieval Systems</i> 42 C.F.R. Part 433, §§433.110-433.131	MMIS key provisions: (1) Enhanced match available for states to design, develop, implement their MES; (2) Upon approval, enhanced match available to maintain and operate MES; (3) System supports seamless coordination and integration with the Marketplace, the Federal Data Services Hub, and allows interoperability with health information exchanges, public health agencies, and human services programs.	Regulations require that Medicaid agencies seeking federal financial participation to build a MMIS must meet the regulations at 45 CFR 75, 45 CFR part 95, subpart F, and part 11, State Medicaid Manual and Section 1903(r) of the Act.	https://www.ecfr.gov/cgi-bin/text-idx?SID=ed033416b7fa95c8fc741a7b7deec39d&mc=true&node=pt42.4.433&rgn=div5#sp42.4.433.c
<i>Comprehensive Child Welfare Information System (CCWIS)</i> 45 C.F.R. Part 1355, §§ 1355.50-1355.58	CCWIS key provisions: (1) promote data sharing with other agencies; (2) require quality data; (3) reduce mandatory functional requirements; and (4) allow agencies to build systems tailored to their needs.	Regulations require that IV-E agencies seeking federal financial participation to build a CCWIS must incorporate bi-directional data exchanges to collect and share Medicaid data, where practicable.	http://www.ecfr.gov/cgi-bin/text-idx?SID=c57517328c902f64aaffb0dafc05b97e&mc=true&node=pt45.4.1355&rgn=div5#se45.4.1355_151

Regulation / Citation Title	Regulation Brief Highlights	Data Elements or Requirements for Reporting	URL Location
<p><i>Adoption and Foster Care Analysis and Reporting System (AFCARS)</i></p> <p>45 C.F.R. 1355.40 42 U.S.C. 679(c)</p>	<p>Key provisions: establishes a data collection, reporting and analysis system with respect to adoption and foster care in the United States.</p>	<p>In general, statute and regulations require that title IV-E agencies report: demographics and characteristics of adopted and foster children and their biological and adoptive or foster parents; the status of the state's foster care population; number and characteristics of children placed in or removed from foster care and children adopted ; federal, state and local assistance provided to such children; and the number of children who were victims of sex trafficking before entering foster care and while in foster care.³⁴</p>	<p>https://www.ecfr.gov/cgi-bin/retrieveECFR?gp=1&SID=a8eea1ea4b20f0ccb313fa96ce7a3fc6&ty=HTML&h=L&mc=true&r=SECTION&n=se45.5.1355_140</p> <p>https://www.acf.hhs.gov/cb/data-research/adoption-fostercare</p>

³⁴ The requirements for reporting victims of sex trafficking is effective on October 1, 2022. See 81 FR 90524 and 45 CFR 1355.40(a).

Regulation / Citation Title	Regulation Brief Highlights	Data Elements or Requirements for Reporting	URL Location
<p><i>National Youth in Transition Database</i></p> <p><i>45 C.F.R. 1356.80-86</i></p>	<p>Key provision: requires states to report to ACF specific information on youth in foster care and those transitioning out of foster care, services they received and the outcomes of those services.</p>	<p>The regulation requires that States report to ACF the independent living services and supports they provide to all youth in eleven broad categories: independent living needs assessment; academic support; post-secondary educational support; career preparation; employment programs or vocational training; budget and financial management; housing education and home management training; health education and risk prevention; family support and healthy marriage education; mentoring; and supervised independent living.</p> <p>States survey youth regarding six outcomes: financial self-sufficiency, experience with homelessness, educational attainment, positive connections with adults, high-risk behavior, and access to health insurance.</p>	<p>https://www.ecfr.gov/cgi-bin/retrieveECFR?gp=1&SID=3d9be8b33d08994a45cff8aaff9f9476&ty=HTML&h=L&mc=true&r=PART&n=pt45.4.1356#se45.5.1356_180</p> <p>https://www.acf.hhs.gov/cb/research-data-technology/reporting-systems/nytd</p>

Regulation / Citation Title	Regulation Brief Highlights	Data Elements or Requirements for Reporting	URL Location
42 CFR 431.300-307	Key provisions: requires 1) restriction of sharing information only directly related to administration of the Medicaid state plan; 2) beneficiary consent for sharing of information not used to verify income, eligibility and amount of medical assistance, n, 3) restriction of beneficiary information to agencies with standards of confidentiality comparable to the state Medicaid agency's, 4) execution of exchange agreements with agencies before requesting information from or releasing information to an agency.	States requesting enhanced funding to build or maintain capability for sharing data elements would be expected to provide evidence they are doing so in accordance with federal law and regulations ⁽⁰⁸⁾⁽⁰⁸⁾	https://www.ecfr.gov/cgi-bin/text-idx?SID=d033d882498d77990cc384008046bd95&mc=true&node=sp42.4.431.f&rgn=div6

Appendix C – Resources

Term	Additional Information and URL Location
National Information Exchange Model (NIEM)	<p>NIEM refers to the use of common or shared language in order to successfully exchange information between entities.</p> <p>For more information: https://www.niem.gov/</p> <p>NIEM Human Services Domain: https://www.niem.gov/communities/human-services</p> <p>Children's Bureau's NIEM website: https://www.acf.hhs.gov/cb/niem</p>
Interoperability Group	<p>This group, organized by ACF, promotes the exchange of information between systems to yield positive results for both systems. The focus is on eliminating barriers to collaboration.</p> <p>https://www.acf.hhs.gov/about/interoperability</p>
Children’s Bureau’s Capacity Building Centers for the States	<p>The Children's Bureau's Child Welfare Capacity Building Collaborative helps public child welfare agencies, Tribes, and courts enhance and mobilize the human and organizational assets necessary to meet federal standards and requirements; improve child welfare practice and administration; and achieve safety, permanency, and well-being outcomes for children, youth, and families.</p> <p>https://capacity.childwelfare.gov/states/</p>
Children’s Bureau Division of State Systems Website	<p>The Division of State Systems' website has information related to CCWIS regulations and federal guidance.</p> <p>https://www.acf.hhs.gov/cb/training-technical-assistance/state-tribal-info-systems</p>
Medicaid Data & Systems Website	<p>The Medicaid Data & Systems website has information related to MMIS regulations and federal guidance.</p> <p>https://www.medicaid.gov/medicaid/data-and-systems/index.html</p>
Medicaid Management Information System	<p>The objectives of this system and its enhancements include the Title XIX program control and administrative costs; service to recipients and providers ; operations of claims control and computer capabilities; and management reporting for planning and control.</p> <p>https://www.medicaid.gov/medicaid/data-and-systems/mmis/index.html</p>
Medicaid Information Technology Architecture (MITA)	<p>The MITA Initiative is a national framework to support improved systems development and health care management for the Medicaid enterprise. MITA has several goals, including development of seamless and integrated systems that communicate effectively through interoperability and common standards.</p> <p>https://www.medicaid.gov/medicaid/data-and-systems/mita/index.html</p>

Appendix D – Glossary of Acronyms and Terms

Term	Definition
Bi-directional Data Exchange	The two-way, send-and-receive automated and electronic transmission of information between two automated data processing systems.
CCWIS	Comprehensive Child Welfare Information Systems – means an automated data processing system meeting all requirements in 45 CFR 1355.51 – 1355.59.
Data Sharing	The electronic provision of data across information technology systems based on agreements between agencies e.g., Memorandum of Understanding, Memorandum of Agreement, data sharing agreements.
Eligibility and Enrollment (E&E)	State title XIX Medicaid agencies use E&E systems to calculate, document and manage the Medicaid eligibility status of individuals, including those receiving services from the title IV-B/E agency.
Information System	Information system means an automated, electronic application that collects, creates, stores, processes, and distributes data.
Medicaid Management Information System (MMIS)	State title XIX Medicaid agencies use MMIS systems to process Medicaid claims and record the services provided to eligible Medicaid recipients by medical services providers.
Medicaid Information Technology Architecture (MITA)	The MITA Initiative is a national framework to support improved systems development and health care management for the Medicaid enterprise. MITA has several goals, including development of seamless and integrated systems that communicate effectively through interoperability and common standards.
Performance Measures	The process of collecting, analyzing and/or reporting information regarding how well an individual, group, organization, system or component is performing in timeliness, accuracy, and completeness.
Permanency	Permanency is described in several ways: 1) as a return to a parent, 2) placed for adoption, legal guardianship, or placed permanently with a fit and willing relative, or 3) placed in another planned permanent living arrangement.
PII	Personally Identifiable Information encompasses any information that can be used on its own or with additional information to locate, contact or identify an individual. Security, confidentiality, and privacy laws and policies specific to automated information technology systems are meant to protect PII.
Well-being	Families have enhanced capacity to provide for their children’s needs; Children receive appropriate services to meet their educational needs; Children receive adequate services to meet their physical and mental health needs.