NATIONAL HEALTH POLICY FORUM

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The Basics

The Title V Maternal and Child Health Block Grant Program

Title V is a broadly defined but limited source of federal funds that states can use to help address the social, financial, behavioral, and structural barriers to health care for women, children, and families. Federal Title V funding, together with state and local funds, supports an array of public health and community-based programs designed to serve as a safety net for uninsured and underinsured children, including children with special health care needs (CSHCN). Federal funding—$693 million in fiscal year (FY) 2007—accounts for a small portion of the total funding for Title V activities. In FY 2005, states served 33.1 million women and children under Title V, including 1.3 million CSHCN, with a total budget of approximately $5.2 billion. Of the children served, 10.1 million had Medicaid or State Children's Health Insurance Program (SCHIP) coverage. This paper highlights the key components of Title V and its legislated interaction with Medicaid and SCHIP.

OVERVIEW

Title V funds are used in a variety of initiatives. These include public health training, nutrition, oral health, substance abuse, health and safety in child care, injury and violence prevention, pediatric and adolescent AIDS, lead poisoning, preventive health, standards and guidelines, and public/private partnerships for health promotion and disease prevention.[1]

Operating as a federal-state partnership since it was established as part of the Social Security Act in 1935, Title V has been amended, expanded, and consolidated over the years to reflect changing national approaches to maternal and child health and welfare. In 1981, Title V programs were converted to the Maternal and Child Health (MCH) Services Block Grant program.[2] The Maternal and Child Health Bureau (MCHB) within the Health Resources and Services Administration (HRSA) at the U.S. Department of Health and Human Services (HHS) administers the two funding components of the MCH block grant:

- **Formula grants to states** are awarded to state health agencies on the basis of the amount awarded to states in 1981 for the individual programs consolidated into the MCH block grant (total $422 million) and the number of children in poverty in the state in relation to the total number of such children nationally. Funds allocated to states under the formula grants

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are available for two years. States are required to contribute $3 for every $4 of federal funds awarded under the formula grants. States use grant funds to provide a variety of MCH programs and services (see below).

- **Federal discretionary grants** are awarded by the Secretary of HHS on a competitive basis to a variety of applicant organizations. These grants comprise the special projects of regional and national significance (SPRANS) program and the community integrated services systems (CISS) program. A $1 match for every $2 of federal funds provided through SPRANS is required. Through grants, contracts, and other mechanisms, SPRANS funds support projects—such as MCH research, MCH training, genetic disease testing and counseling, and hemophilia diagnostic and treatment centers—to improve the health of mothers and children. "Bright Futures," a comprehensive set of child health guidelines for practitioners, was developed and promoted under a SPRANS grant. CISS funds have been used to support a variety of service delivery activities, including the development of home visitation services, outreach and education efforts to increase provider participation under Title V, and expansion of services to rural populations.

TITLE V FUNDING

The majority of the funding for Title V activities comes from state and local sources, including the state match[3] (and overmatch) for the federal Title V funds; MCH dedicated funds collected from local jurisdictions; and other sources, such as foundations and income collected from insurance payments and Medicaid. HRSA refers to the total combined funding for Title V activities as the Federal-State Title V Block Grant Partnership Budget (Figure 1, next page).

Distribution of annual federal appropriations under Title V is defined in Section 502 of the Social Security Act. Of the amounts appropriated, up to $600 million, 85 percent is for formula grants to states; 15 percent is for SPRANS activities.[4] In recent years, Title V has received federal authorizations of $850 million; however, as shown in Table 1, actual appropriations have been lower.

In 2007, federal allotments to states for the formula grants totaled $567 million. Federal, state, and local expenditures under the MCH formula grants amounted to $5.6 billion. Nonfederal shares of total Title V budgets vary by state. Individual state Title V total block grant budgets range from $13.2 million (including a $1.1 million federal allotment) for Alaska to $1.9 billion (including a $44 million federal allotment) for California.

TITLE V-FUNDED ACTIVITIES

Because Title V is a block grant program, it gives states greater latitude in determining how allotted federal funds are used for the provision of health services and related activities than they are allowed under Medicaid and

TABLE 1
Title V Appropriations, FY 2003–2007

Fiscal Year	Federal Appropriation
2003	$730,710,000
2004	$730,817,000
2005	$723,928,000
2006	$692,521,000
2007	$693,000,000

Source: Health Resources and Services Administration, "Fiscal Year 2008 Justification of Estimates for Appropriations Committees"; available at www.hrsa.gov/about/budgetjustification08/mchblockgrant.htm.

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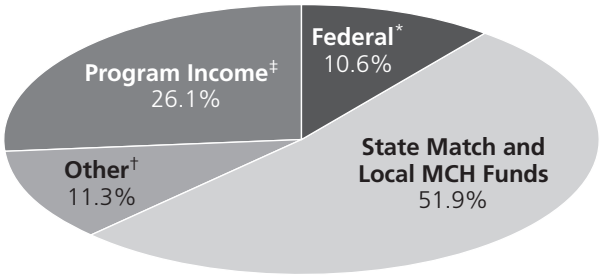
SCHIP. For example, the terms "health care" and "preventive and primary care services" are not defined under Title V, and states may use their own definitions of these services in their grant applications. States also determine the eligibility criteria used for services they provide under the block grant.

There are very few prohibitions on state use of Title V federal MCH formula grant funds.[5] The statute identifies several purposes for which the federal funds are to be used: (i) assure access to quality MCH care, especially for those with low incomes or limited availability of care; (ii) reduce infant mortality; (iii) provide rehabilitative services for blind and disabled children under the age of 16 who receive Supplemental Security Income; (iv) provide access to pre- and postnatal care; (v) provide and promote family-centered, community-based systems of coordinated care for CSHCN; (vi) increase the number of children receiving health assessments and diagnostic and treatment services; and (vii) provide assistance in applying for Medicaid services. Some states have designated Title V agencies to administer their programs, while others structure their Title V-funded programs as targeted grants to state-defined qualified communities and entities such as health clinics, health centers, and hospitals. Title V funds are often used in funding staff, infrastructure, and program development under these arrangements.

FIGURE 1
FY 2007 Federal-State Title V Block Grant Partnership Budget by Source of Funding



Total Budget = $5.6 billion

** Includes federal allocation and unobligated balance*

† Funds other than Title V Block Grant Funds under control by individual(s) responsible for administration of Title V program.

‡ Includes insurance payments, HMO payments, Medicaid reimbursements

Source: Maternal and Child Health Bureau, "Federal-State Title V Block Grant Partnership Expenditures by Source of Funding"; available at https://perfdata.hrsa.gov/mchb/mchreports/search/financial/finsch01_result.

Services

States are required to use at least 30 percent of their federal funds for preventive and primary care services for children and at least 30 percent for CSHCN. Beyond these federal minimums, states determine the actual services provided and expenditures by service and service category vary widely.

MCH block grant services are categorized into four groups:

- **Direct health services —** "gap filling" basic health services provided where services are lacking. These are generally delivered one-on-one between a professional and a patient. They accounted for 58 percent of total Title V expenditures in FY 2005.
- **Enabling services —** services that facilitate access to care, such as case management, transportation, translation services, purchase of insurance, and coordination with other programs. These accounted for 21 percent of total Title V expenditures in FY 2005.
- **Population-based services —** preventive interventions and personal health services, such as newborn screening, lead screening, immunization, oral health, injury prevention, for a state's entire MCH population. These accounted for 11.1 percent of total Title V expenditures in FY 2005.

- **Infrastructure-building services —** support for the development and maintenance of comprehensive health services systems such as training, data collection, developing guidelines, applied research, information systems and other functions. These accounted for 9.3 percent of total Title V expenditures in FY 2005.

State Reporting

Data on state use of Title V funds comes from states' funding applications and annual reports. State applications for block grant funds include a statewide needs assessment (updated every five years) for preventive and primary care services for pregnant women, mothers, and children and for family-centered, community-based services for CSHCN and their families. Applications identify state MCH priorities based on the needs assessment and systems capacity, provide a plan to meet the identified needs, and explain how federal funds will be used. States submit annual reports on Title V activities that demonstrate progress made toward specific MCH status indicators (for example, live birth rate, birthweights, child death rates due to motor vehicle crashes, and poverty levels). Evaluations of state Title V activities are based on performance and outcome measures.

INTERACTION WITH MEDICAID AND SCHIP

Federal requirements for coordination between Title V, Medicaid, and SCHIP are limited. At the federal level, the MCHB has been designated as the administrative organization with responsibility for coordinating activities authorized under Title V, Title XIX (Medicaid, especially the Early and Periodic Screening, Diagnosis and Treatment [EPSDT] benefit), and related health activities under SCHIP (Title XXI). Medicaid and SCHIP are administered by the Centers for Medicare & Medicaid Services.

The Title V statute requires state agencies to "participate in the coordination of activities between" the state Title V program and the Medicaid EPSDT benefit to avoid duplication of services and effort.[6] In addition, state Title V agencies are required to provide services to identify pregnant women and infants who are eligible for Medicaid and assist them in applying for benefits.[7] There are no similar requirements on state Title V agencies with regard to SCHIP.

The Medicaid statute (Title XIX) requires state Medicaid agencies to enter into agreements with state Title V agencies, allowing the Title V agency, or its grantees, to participate in Medicaid and thus receive reimbursement for Medicaid-covered services. State Medicaid agencies must make "appropriate" provisions for reimbursing the Title V agency, or its grantees, for covered services provided to Medicaid beneficiaries. Finally, state Medicaid agencies are required to provide for "coordination of information and education on pediatric vaccinations and delivery of immunization services" with state Title V agencies.[8] Title V has reciprocal requirements for state Title V agencies.[9]

There are no specific federal coordination requirements between state Title V agencies and SCHIP programs. Title XXI, however, does require participating states to describe how they coordinate administration of the SCHIP program with "other public and private health insurance programs" and to provide a "review and assessment" of state coordination activities of SCHIP with other programs, including Medicaid and MCH services.[10]

While the coordination requirements are limited, the statute clearly indicates that Title V is the payer of last resort with respect to Medicaid and SCHIP. If a child receives a Title V service (for example, a home visit) that is covered by Medicaid (or SCHIP), then Medicaid (or SCHIP) pays for the service, not the Title V program. Title V funds are used to pay for services for which Medicaid (or SCHIP) funds are not allowed or available.[11]

ENDNOTES

1. The Personal Responsibility Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) created a separate Title V program of formula grants to states for abstinence education. This program is not part of the Maternal and Child Health Block Grant program under Title V.

2. Omnibus Budget Reconciliation Act (OBRA) of 1981 (P.L. 97-35). Programs consolidated into the block grant were rehabilitation services for children receiving Supplemental Security Income, services to screen and identify children for lead poisoning, programs for identifying genetic diseases, sudden infant death syndrome prevention programs, hemophilia treatment centers, and adolescent pregnancy prevention.

3. The statute includes a maintenance of effort requirement to provide state-only funding equivalent to the level provided in FY 1989.

4. If appropriated amounts exceed $600 million, 12.75 percent of the amount in excess is distributed to CISS activities; of the remaining amount, 85 percent is for formula grants to states and 15 percent is for SPRANS activities.

5. With respect to delivery of services, states cannot use Title V funds to make cash payments to intended recipients of services or to pay for inpatient services other than for children with special health care needs or for high-risk pregnant women or infants.

6. Section 505(a)(5)(F)(i) of the Social Security Act.

7. Section 505(a)(5)(F)(iv) of the Social Security Act.

8. Section 1902(a)(11)(B) of the Social Security Act.

9. Section 505(a)(5)(F)(ii) of the Social Security Act.

10. Section 2108(b)(1)(d) of the Social Security Act.

11. Section 501(a)(1)(C) of the Social Security Act

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