



Children's Health Care Priorities: A Regional View for National Health Reform

Current Environment

The Obama administration and Congress are committed to passing a national health reform bill in 2009, and it is critical that children's health care issues are part of this reform effort. The New England Alliance for Children's Health at Community Catalyst and our Alliance partners believe that three essential children's issues need to be incorporated into a national reform bill: 1) maintenance of strong financial and coverage protections for Medicaid eligible children and families, 2) promotion of quality, coordinated health care through medical home programs, and 3) increased access to comprehensive benefits for children with special health care needs through the Family Opportunity Act. This paper outlines each of these areas.

Medicaid

We urge Congress to maintain standards that meet the needs of children and families eligible for Medicaid. It is critically important to maintain comprehensive access and coverage for low-income children. Medicaid has a number of requirements that make it highly effective for protecting and covering low-income children. The following provisions must be retained and expanded in national health reform to ensure that children have access to and receive high quality health care:

- **Provide states with the flexibility to expand current eligibility rules for children in Medicaid and the Children's Health Insurance Program (CHIP) to at least 300 percent FPL and for pregnant women, parents and adults to 150 percent FPL.** Medicaid and CHIP play a critical role in covering children, especially during a recession, when many families are losing private health coverage.ⁱ Strong eligibility rules enable more children to access medical care, relieve financial burdens on families and lead to improved health outcomes for children.
- **Maintain strict cost-sharing limits for children and families, with no cost-sharing for families under 150 percent FPL.** Increased cost-sharing, in the form of premiums, co-payments and deductibles, often makes coverage unaffordable and leads families to forego necessary treatments.ⁱⁱ Even small increases in premiums or co-payments can prevent low-income families from enrolling in insurance or accessing care.ⁱⁱⁱ
- **Ensure requirements for a comprehensive benefit package for children in Medicaid, CHIP, and plans purchased through a Health Insurance Exchange.** Children are healthiest when they receive medically necessary services from an early age.^{iv} There must be a comprehensive pediatric benefit package for children, with EPSDT requirements provided through Medicaid, CHIP and plans purchased through a Health Insurance Exchange. We must not take children out of Medicaid and put them in private plans if the plans do not meet their needs.

- **Provide adequate and predictable payment rates for Medicaid providers who treat children.** Adequate payment rates are one important way to increase access to the wide-range of providers on which children rely. Inadequate rates lead to insufficient and underdeveloped support for pediatric information technology, quality improvement, and care management. Most importantly, low Medicaid provider payments ultimately prevent children from obtaining the care they need, when they need it.

Medical homes

We embrace the value of Patient Centered Medical Homes (PCMH) as defined by the American Academy of Pediatrics^v and the PCMH principles developed by the National Partnership for Women and Families.^{vi} **We urge Congress to expand access to and support the development of state-wide, multi-payer medical home programs that address the unique needs of children. These programs should include the following four components:**

- **Care coordination** fosters prevention and bridges the essential transition from diagnosis to treatment by facilitating and monitoring connections with medical and social support services.^{vii} Medical homes for children should coordinate care among the services children need for optimal health and development (including primary, hospital, specialty, mental health, and dental care).
- **Multi-disciplinary team-based care** provides the most appropriate, effective and coordinated care to children and their families.
- **Patient and family participation** is needed to make medical home programs successful. Children, particularly adolescents, and families should be engaged, through education and ongoing support, as active partners in care and care coordination.
- **Quality improvement and evaluation** will lead to improved health outcomes, new quality measures for children, and identification of the most effective aspects of medical home programs for replication.

Family Opportunity Act

Insurance benefits are typically designed to address acute episodes, not chronic illness or disability. This leaves families of children with special health care needs, even those with insurance, financially vulnerable. **We urge Congress to expand access to comprehensive coverage for children with special health care needs by:**

- **Replacing the income cap on the Family Opportunity Act with a sliding scale premium.** The Family Opportunity Act (part of the Deficit Reduction Act of 2005) allows families of children with severe disabilities who make less than 300 percent FPL to 'buy-in' to Medicaid. Replacing the income cap with a sliding scale premium for those over 300 percent FPL would help more middle-class families with catastrophic health care costs keep their children at home and prevent them from falling into poverty.
- **Providing incentives for states to implement the Family Opportunity Act.** Currently, only five states have implemented a Medicaid buy-in program under the Family Opportunity Act. Providing incentives for states to take up this program will help extend the benefits of the program to more children and reduce state-to-state variability.

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- ⁱ Health Coverage of Children: The Role of Medicaid and SCHIP. Kaiser Commission on Medicaid and the Uninsured (November 2008).
- ⁱⁱ S. Artiga, M. O'Malley. Increasing Premiums and Cost-sharing in Medicaid and SCHIP: Recent State Experiences. Kaiser Commission on Medicaid and the Uninsured (May 2005).
- ⁱⁱⁱ Cost Sharing for Children and Families in Medicaid and SCHIP. Georgetown University Health Policy Institute Center for Children and Families (September 2008).
- ^{iv} E. Schor, M. Abrams, K. Shea. Medicaid: Health Promotion and Disease Prevention for School Readiness. *Health Affairs*, 26(2): 420-429 (March/April 2007).
- ^v Medical Home Initiatives for Children with Special Needs Project Advisory Committee, American Academy of Pediatrics. Policy Statement: Organizational Principles to Guide and Define the Child Health Care System and/or Improve the Health of All Children. *Pediatrics* 110(1): 184-186 (July 2002). Reaffirmed *Pediatrics* 122(2):450. (August 2008).
- ^{vi} Principles for Patient- and Family-Centered Care: The Medical Home from the Consumer Perspective. National Partnership for Women and Families, http://www.nationalpartnership.org/site/DocServer/Advocate_Toolkit-Consumer_Principles_3-30-09.pdf?docID=4821 [Accessed May 2009].
- ^{vii} R.C. Antonelli, J.W. McAllister, J. Popp. Developing Care Coordination as a Critical Component of a High-Performance Pediatric Health Care System. Commonwealth Fund. To be published May 2009.