

Partnership for Medicaid Partnership for Medicaid

May 21, 2007

The Honorable Max Baucus
Chairman
Committee on Finance
United States Senate
Washington, D.C. 20510

The Honorable Charles E. Grassley
Ranking Minority Member
Committee on Finance
United States Senate
Washington, D.C. 20510

Dear Chairman Baucus and Ranking Member Grassley:

As you work to develop legislation to reauthorize the State Children's Health Insurance Program (SCHIP), we, the below-signed members of the Partnership for Medicaid, a non-partisan, nationwide coalition of safety net providers and other organizations dedicated to improving the Medicaid program, call your attention to several reauthorization issues important to the safety net provider community and critical to ensuring that all of the nation's children have health care coverage.

For nearly ten years, SCHIP has played a major role and has been remarkably successful in providing a safety net to children and adolescents who otherwise might be uninsured. Yet, despite this success, there are still some 9 million children living in the United States who lack coverage for basic health care. This is unacceptable.

SCHIP reauthorization provides Congress an opportunity to strengthen this critically important program, and to expand health insurance coverage to many of the nation's uninsured children. Accordingly, we urge you to consider the following set of recommendations:

Ensure Sufficient New Program Funding. It is vital that Congress deliver on its pledge to children's health coverage by providing, at a minimum, the full \$50 billion in new funds for SCHIP and Medicaid allowed for in the congressional budget resolution. This level of funding is the minimum amount that will suffice to allow states to sustain their existing SCHIP programs, reach a significant share of the uninsured children already eligible for SCHIP and Medicaid, and support ongoing state efforts to expand coverage. It is imperative that states are provided with a predictable and stable source of funding that enables them to continue to move forward in their effort to cover eligible children.

Preserve Coverage for Current Enrollees. Since 1997, several states have secured approval through the CMS waiver process to enroll low-income parents in the SCHIP program. In its recent SCHIP Interim Policy Statement, the National Governors Association seeks to maintain state flexibility with the specific objective of continuing this important policy. The Partnership believes that SCHIP reauthorization should not increase the number of uninsured Americans, such as by cutting off children in more moderate-income families

who cannot afford coverage entirely on their own or by weakening family-based coverage programs operated under SCHIP waivers.

Strengthen and Improve Program Benefit Package. Low-income children are suffering as a result of the myriad of health disparities they face and are more likely to suffer from various illnesses and health conditions. Many of these children are at high risk of developing chronic health conditions. Congress must act to eliminate existing provisions in SCHIP that permit mental health to be offered at 75% of benchmark equivalent plans and that make dental and vision benefits optional. The Partnership supports legislation for SCHIP that requires mental health benefit parity, a dental benefit guarantee and the option for states to provide wrap around dental, vision and mental health benefits for low income children that have health coverage in the private market but are income-eligible for SCHIP.

Promote Streamlined Enrollment and Increased Outreach. The Partnership supports allowing states to utilize new tools and procedures to reach the majority of uninsured children currently eligible for, but not enrolled in Medicaid or SCHIP. In particular, the Partnership supports the use of streamlined enrollment processes, such as “Express Lane” enrollment, that allows the use of financial information from other programs (such as school lunch and WIC) in determining eligibility. In addition, Congress should make available expanded resources to states for outreach to educate the parents of uninsured children about SCHIP and Medicaid. Furthermore, additional resources ought to be made available (through enhanced federal funding in Medicaid) to states that successfully enroll more eligible children in SCHIP.

Eliminate Negative Impact of Medicaid Documentation Requirements Since enactment in 2006, the Medicaid documentation requirements have had a major and measurable impact on patients and providers, with a number of states reporting significant declines in Medicaid enrollment among children, certain legal immigrants and other clearly eligible citizens. To that end, Congress should ensure that states are allowed as much flexibility as possible to assure that current recipients and new applicants impacted by the law have the broadest opportunity to meet the requirement without losing or being denied Medicaid or SCHIP coverage.

Eliminate Five-Year Prohibition for Lawfully Residing Immigrant Children, and Ensure Access to Viable Language Assistance Services. States ought to be given the option to make Medicaid and SCHIP coverage available to lawfully residing immigrant children and pregnant women, as provided for in the Legal Immigrant Children’s Health Improvement Act of 2007. In addition, it ought to be noted that the lack of viable language assistance services in Medicaid and SCHIP creates barriers to and diminishes the quality of health care for limited English proficient (LEP) individuals in these programs. In fact, along these lines, most state Medicaid and SCHIP programs do not directly pay for the costs of hiring interpreters or translating essential healthcare information. Therefore, Congress ought to significantly increase the federal share of the costs of language services so that more states will have the ability to assist in meeting the needs of LEP patients.

Provide Meaningful Review of Program Service and Payment Policies. The Partnership supports the establishment of the Medicaid and CHIP Payment and Access Commission (MACPAC) to ensure that the access and payment policies of both programs are reviewed on a consistent basis. Providing these reviews is a step in the right direction to

ensure that beneficiaries enrolled in both programs receive the level of services outlined in each program's benefit packages and that adjustments are made to accommodate changes in the health care delivery system and beneficiary demographics.

Invest in Health Care Quality for Children. Since no cohesive pediatric health care quality program currently exists in SCHIP or Medicaid, the Partnership supports the creation of a new child health quality initiative. The quality initiative should focus on measures that promote the healthy development of children. It should provide the federal government with the authority and resources necessary to fund the development, testing, and use of pediatric quality measures through a consensus development process involving consumers, payers, and providers. The initiative should also encourage state reporting on child health quality, and promote use of standardized quality measures, such as HEDIS, that allow for uniformity in data collection and comparisons among states and over time.

Thank you for your consideration. We look forward to working with you on these and other issues vital to the future of the nation's children.

Should you have any questions about these or other issues please feel free to contact any of our organizations or call Licy Do Canto at (202) 296-1721.

Sincerely,

AMERICAN ACADEMY OF PEDIATRICS

AMERICAN COLLEGE OF OBSTETRICIANS AND GYNECOLOGISTS

AMERICAN COLLEGE OF PHYSICIANS

AMERICAN DENTAL ASSOCIATION

ASSOCIATION OF CLINICIANS FOR THE UNDERSERVED

ASSOCIATION FOR COMMUNITY AFFILIATED PLANS

MEDICAID HEALTH PLANS OF AMERICA

NATIONAL ASSOCIATION OF CHILDREN'S HOSPITALS

NATIONAL ASSOCIATION OF COMMUNITY HEALTH CENTERS

NATIONAL ASSOCIATION OF PUBLIC HOSPITALS & HEALTH SYSTEMS

NATIONAL COUNCIL FOR COMMUNITY BEHAVIORAL HEALTHCARE

NATIONAL HISPANIC MEDICAL ASSOCIATION

NATIONAL MEDICAL ASSOCIATION

AFL-CIO

cc: Members, Senate Finance Committee