

HEALTH CARE REFORM: A MOVING TARGET

American Academy of Pediatrics

March 8, 2010

OBJECTIVES

- State Health Care Reform
- Pediatric Advocacy at the State Level
- Federal Health Care Reform
- Pediatric Advocacy at the Federal Level

Child Health Insurance Program Reauthorizaton Act (CHIPRA)

- \$32.8 billion over 4.5 years
- 300% FPL eligibility for CHIP match
- \$225m for quality and health IT (*PEDIATRIC*)
- \$100m for outreach and enrollment
- 8 enrollment improvements – if state chooses 5, boosts federal funding
- Public/private partnership on premium subsidy – eliminates crowd out

CHIPRA Components

- Immigrant Children's Health Improvement Act (ICHIA) – states can remove 5 year wait for legal immigrants
- Translation Services now at 75% FMAP
- Coverage of pregnant women up to 200%
- Dental benefits required
- Mental health parity, if provide mental health

CHIPRA Components

- Clarifies DRA 2005 provision – Medicaid benchmark benefit plans must include EPSDT
- Citizenship documentation
 - citizenship documentation now applies to CHIP
 - BUT, Social Security # confirmation option in Medicaid, CHIP
- GAO study on Medicaid managed care payment rates by states
- *MACPAC* – best ever opportunity to impact payment through reports and analysis

American Recovery and Reinvestment Act (ARRA)

- \$87b in FMAP increase
 - State shares based upon enrollment on 7-1-08
 - Prompt payment
 - 6.2% minimum increase
- \$19b in Health IT infrastructure (2011) (HITECH Act, Title IV)
 - 20% Medicaid patient threshold
 - State planning and implementation grants

HITECH ACT

- Health Information Technology for Economic and Clinical Health Act
- Title IV: Medicare and Medicaid Health Information Technology; Miscellaneous Medicare Provisions

Health Information Technology

- AAP Child Health Informatics Center (CHIC) and Council on Clinical Information Technology (COCIT)
- Jon Klein, MD, FAAP, Associate Executive Director of the AAP
- Office of the National Coordinator for Health Information Technology (ONCHIT)

ARRA

- \$10.4 billion to NIH
- \$1 billion for Prevention and Wellness Fund
- \$500 million to HRSA workforce development
- \$200 million for Title VII and VIII programs
- \$300 million for the National Health Service Corps
- \$2 billion for Child Care Development Block Grant

Comparative Effectiveness in ARRA

- \$1.1 billion for comparative effectiveness research
- \$400m NIH, \$400m HHS, \$300m AHRQ
- Conduct, support or synthesize research that compares clinical outcomes, and encourages mining of existing data sources
- IOM study and new federal coordinating council
- Another opportunity to make the case for the unique needs of children
- Lisa Simpson, MD, FAAP

AAP State Resource Staff

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STATE ADVOCACY

- AAP Chapters
- Open Forum Concept
- State Medical Society
- Chapter Advocacy Summit
- AAP Advocacy Institute
- Committee on State Government Affairs

Subspecialists, Care Coordination, and PMPM

- Cancer (\$45-89.50)
- Sickle Cell (\$20-30.67)
- Low Birth Weight (\$13-17)
- Cystic Fibrosis (\$110)
- Diabetes (\$16.75-35)
- Meningomyelocele (\$13)
- Developmentally Disabled (\$250)

SENATE - Amendment to H.R. 3590



Bill: Patient Protection and Affordable Care Act (PPACA)

Democratic Leaders: Harry Reid (D-NV)

Minority Leader: Mitch McConnell (R-WY)

Progress: Introduced 11/18/09

Cost: \$843 billion

Senate Floor

Benefits: All Bright Futures with no co-pays for ALL group and individual health insurance; well-child, rehabilitative/ habilitative, vision, oral in Exchange; "Health Benefits Advisory Commission" with ped. representative

CHIP: Preserved, families given option of CHIP or Exchange ("Gateway").

Medicaid Expansion: Up to 133%

Public Plan: Opt-out with negotiated rates

Other Provisions: primary care and subspecialty incentives, dependents to age 27

Academy Priorities: Access - Payment

- Medicaid pays pediatricians on average 72% of Medicare rates.
 - Only 53% of physicians are willing to see new Medicaid patients.
 - New and traditional Medicaid enrollees are in danger of having a Medicaid insurance card that provides no real access to care.
- **HOUSE:** Includes a provision (Section 1721) that would increase Medicaid primary care services (E and M Codes) payment rates to 100% of Medicare rates over three years.
- **SENATE:** Proposes significantly increasing number of Medicaid beneficiaries, but **does not include Medicaid payment reform.** Would create an Innovation Center within the Centers for Medicare and Medicaid Services to test in Medicare, Medicaid and CHIP different payment structures and methodologies to foster patient-centered care, improve quality, and slow Medicare cost growth.

Academy Priorities: Coverage

- Medicaid coverage to age 26 for children aging out of foster care
- Unclear, but mandate and coordination between Exchange and Medicaid
- End of CHIP (?)
 - Significant transition issues
 - Significant uncertainty regarding actuarial value/cost sharing protections
- Immigrant Issues
 - Five year Bar lifted for legal immigrants
 - Immigrants barred from Exchange?

Academy Priorities: Benefits

- **HOUSE**

- Pediatric specific benefits including well-child, habilitative, mental/behavioral health, vision, oral and hearing in Exchange

- **SENATE**

- Preventive and well child services modeled after the HRSA recommended *Bright Futures* guidelines with no co-pay for ALL group and individual insurance packages
- Pediatric-specific benefits including well baby/child, rehab, habilitative, mental/behavioral health, vision, oral, “Pediatric Services,” in Exchange

Academy Priorities: Medical Home in Health Reform

HOUSE (H.R. 3692)	SENATE (Amendment to H.R. 3590 in Senate)
<p data-bbox="195 519 736 611">Funding: \$1.235 billion over 5 years in Medicaid</p> <p data-bbox="195 694 768 882">Pilot program to test the medical home concept with Medicaid beneficiaries in both community-care and practice-based models.</p> <p data-bbox="195 965 780 1153">Federal government will match costs of community care works at 90% for first two years, 75% for the next three.</p>	<p data-bbox="852 519 1257 562">Funding: Not specified</p> <p data-bbox="852 645 1798 882">New federal grant program to establish community-based health teams to support primary care providers offer care coordination for high needs beneficiaries. Would provide PMPM payments to providers, separate payment to health teams.</p> <p data-bbox="852 965 1819 1253">Voluntary Medicaid Accountable Care Organization for pediatrics must meet required performance guidelines and provide at lower cost would share in the savings. Secretary must work in consultation with pediatric providers to establish guidelines to ensure the quality of care in an ACO.</p>

Academy Priorities: Access - Workforce

- Primary Care – both bills
 - Significant increases in primary care workforce funding, tied to National Health Service Corps and Healthcare Provider Shortage Areas (Title VII, etc.)
 - Commissions to recommend workforce priorities
 - Reform GME to increase supply, education and training of doctors, nurses and other health care workers, especially in primary care.
- Subspecialty
 - HOUSE tasks the Medicaid and CHIP Payment and Access Commission to report to Congress on state-by-state pediatric subspecialty payment and its effect on access to care for children.
 - SENATE includes a section dedicated to pediatric subspecialty with \$30 million per year dedicated to loan repayment for pediatric subspecialty, pediatric surgical specialty, or child and adolescent mental and behavioral health care fields. Participants eligible for up to \$35k/year for 3 years.

Washington DC Office of AAP

- 1-800-336-5475
- Mark DelMonte, JD, Director
- Bob Hall, JD, Assistant Director
- Cindy Pellegrini, JD, Assistant Director
- Period of transition for the Washington Office:
 - Karen Hendricks has left the Academy
 - Jackie Noyes has retired

Health Reform Advocacy

Start at www.aap.org



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H1N1 Flu (Swine Flu): AAP Advice
The AAP offers advice about H1N1 flu (swine flu):
• Parents and Caregivers
• Health Care Professionals

Health Care Reform
AAP Supports Health Care Reform
The AAP advocates for health reform that will benefit children and pediatricians. [More](#)

Prematurity Awareness Month
With more than half a million babies born prematurely in the United States each year, the problem is bigger than ever. [More](#)

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- Federal Advocacy Action Network (FANN)
- Key Contact Network
- National Legislative Conference
- AAP Advocacy Institute
- AAP Washington Office “advocacy fellowships”