



RHODE ISLAND KIDS COUNT
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Testimony Re: Executive Office of Health and Human Services Budget as well as Article 12 and Article 13 Relating to Medical Assistance

Senate Finance Committee

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Mr. Chairman and members of the Committee, thank you for the opportunity to provide testimony today. Rhode Island KIDS COUNT is here to provide informational testimony regarding the Executive Office of Health and Human Services (EOHHS) budget as well as aspects of Article 12 and Article 13. We believe that Rhode Island's success with Rite Care can be a model for reforming other parts of Medicaid.

Rhode Island's Strong Commitment to Children's Coverage

Rhode Island KIDS COUNT would like to thank this committee and members of the General Assembly for their continued leadership on ensuring all Rhode Island children have access to high-quality, affordable health and dental coverage. Rhode Island policy makers have long recognized that children with coverage are healthier, are more likely to receive preventive care, be screened for the achievement of developmental milestones, miss fewer days of school, and get treatment for illnesses and chronic conditions. You have also paid attention to the fact that providing preventive primary care rather than costly emergency care has been cost-effective. As a result of a sustained and strong commitment to children's coverage, 96.6% of Rhode Island children under age 18 were insured in 2015. Rhode Island ranks 15th best in the U.S. on this measure.¹

Children Without Health Insurance, Rhode Island, 2009-2015



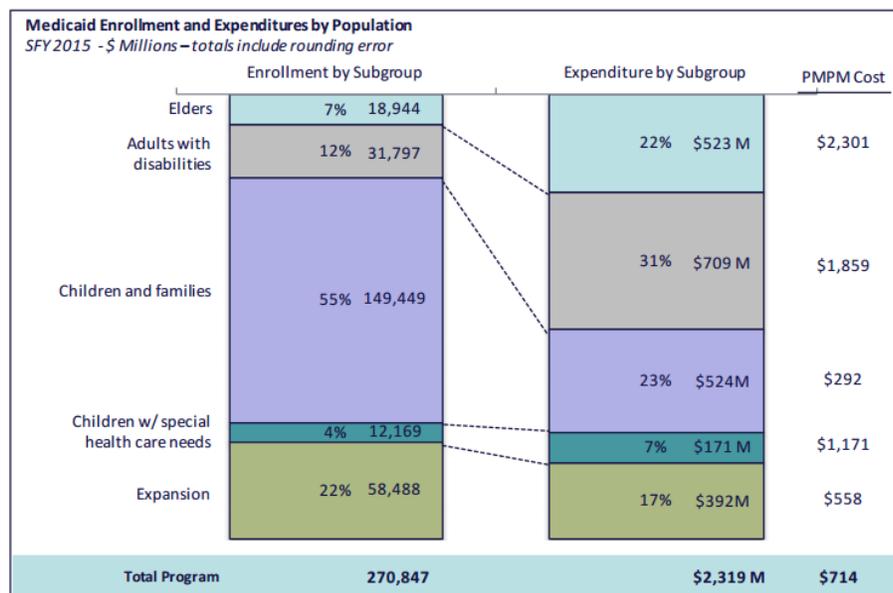
Source: U.S. Census Bureau, American Community Survey, 2013 & 2015. Table CP03. Data are for children under 18 years of age and are not comparable to Factbooks prior to 2015.

Rite Care is a Success

Rhode Island's high rate of children's health insurance coverage has been largely attributed to the Rite Care program, which is Rhode Island's Medicaid managed care program for children, pregnant women, and parents. In 2015, the Centers for Medicare and Medicaid Services (CMS) recognized Rite Care as the best in the nation on a variety of quality services, including prenatal care, access to primary care, immunization status, as well as child and adolescent well visits.²

Additional evidence of Rite Care's high-quality, commitment to access, and positive health outcomes are outlined on the next page.

- Rlte Care Managed Care Organizations (MCOs) are regularly ranked among the best Medicaid MCO plans in the country** by the National Committee for Quality Assurance. In 2016, both Rlte Care’s MCO plans were two of 15 Medicaid health plans with a rating of 4.5/5.0 or higher in the nation.³ In 2016, CMS recognized Rlte Care as a top performing program on a variety of quality services, including percentage of deliveries receiving the expected number of prenatal care visits, child and adolescent well visits, immunizations status, and timely mental illness care post hospital discharge.⁴
- Rlte Care MCOs met 90th Percentile on important access indicators in 2016⁵**
 - Timely prenatal and postpartum care
 - Frequency of on-going prenatal care
 - Infant well-child visits in first 15 months of life (6+ visits)
 - Child periodic primary care provider (PCP) visits
 - Adolescent well-care visits
 - Immunizations for children by age two
- Rlte Care continues to be cost-efficient, high-quality coverage:** According to the latest *Medicaid Expenditure Report* released by the EOHHS in 2016 (see graph below), children and families account for 55% of total enrollment, and only account for 23% of total expenditure. Children and families have an average per member per month of under \$300. Children with Special Health Care Needs (CSHCN), which include individuals under age 21 who are eligible for SSI, children in substitute care, children with Katie Beckett coverage, or children receiving an adoption subsidy, account for 4% of enrollees and 7% of total Medicaid expenditure.⁶ In addition, eligible children and pregnant women covered under the Children’s Health Insurance Program (CHIP) have a considerably higher effective federal match of 88.6% in fiscal year 2017.⁷ Together, these facts, demonstrate how providing Rlte Care coverage to children and families is a cost-efficient investment.



Rhode Island annual Medicaid expenditure report – SFY 2015. (2016). Cranston, RI: Rhode Island EOHHS

Additional Comments on Special Initiatives within EOHHS Budget as well as Articles 12 and 13

- **Concerns Regarding Modifications to the Managed Care Performance Goal Program**

Rhode Island KIDS COUNT is concerned regarding proposed modifications to the managed care performance goal program that are estimated to yield \$2.3 million in general revenue savings. Originally launched in 1998, Rhode Island's managed care performance goal program has been catalyst for incentivizing high-quality accessible care and services within the Medicaid program and especially for children. It is due to this pay-for-performance program that RItE Care routinely ranks best in the nation for high-quality, accessible care for children and families on a number of nationally benchmarked quality measures. We urge the EOHHS and the General Assembly to continue to ensure sufficient funding for this highly effective program, which continues to incentivize the health care system to deliver high-quality accessible services to children and families enrolled in Medicaid.
- **Recommendations Regarding Behavioral Health Inpatient Hospital Rates – Article 12 Section a (iii)**

Rhode Island KIDS COUNT has been tracking the number of emergency department visits and hospitalizations of children under age 18 with a primary diagnosis of mental disorder. Between 2006 and 2015, there has been a 35% increase in emergency department visits (2,421 to 3,268) and a 34% increase in hospitalizations (1,647 to 2,212). Children with Medicaid/RItE Care coverage make up 60% of all emergency department visits and 48% of all hospitalizations in 2015.⁸ More investments in prevention, outpatient, and step-down services need to be made as does increased behavioral health integration and coordination with primary care providers. We urge the General Assembly and the EOHHS to consider scaling evidence based programs such as the Child Psychiatry Access Project, which integrate behavioral health consultation and referral services from Bradley Hospital to pediatric practices, to help better address persistent pediatric gaps in mental health care and coordination that result in increasing hospitalizations for children. We also encourage the EOHHS and OHIC to continue to support multi-payer initiative such as Patient Centered Medical Homes for Kids, which help build the capacity and quality of pediatric primary care across the state. We urge the General Assembly to provide oversight of these multi-payer initiatives to ensure they are focused on integrating behavioral health care and services in primary care.
- **Concerns Regarding Medicaid Managed Care Organizations Administrative Rates – Article 12 Section a (iv)**

Rhode Island KIDS COUNT recognizes the continued fiscal pressures and constraints placed on the Medicaid program and overall State budget. While decisions to achieve savings are never easy, we are concerned that continued decreases for administrative costs for Medicaid/RItE Care managed care organizations may adversely affect delivery and quality of care, as well as overall health status and outcomes for members. Rhode Island's MCOs have been among the most highly ranked in the nation. It is vitally important the RItE Care program as well as other populations served by MCOs continue to have adequate resources to provide and deliver high-quality, comprehensive, and accessible care and coverage.

- **Support for the Children’s Health Account - Article 13 Section 42-12-29**

Rhode Island KIDS COUNT supports efforts to increase the amount raised by the Children’s Health Account from \$7,500 per child per service per year to \$12,500. These funds help support coverage for pediatric home health services, CEDAR services, and child and adolescent treatment services (CAITS) for children who are covered by commercial insurance but are Medicaid-eligible and require services that are not typically offered by commercial insurance.

- **Medicaid Open Enrollment – EOHHS Budget**

Rhode Island KIDS COUNT continues to monitor the EOHHS’ proposed plans to implement a Medicaid open enrollment period in the next six months. Given recent technology challenges, we have concerns about the system and operational capacity to ensure a smooth Open Enrollment process. We continue to advocate for a consumer-centric process that has adequate staffing and system procedures in place and provides necessary information to the consumer and community at large so that an informed decision can be made regarding a managed care plan selection. We have been appreciative of being included in stakeholder discussions facilitated by the EOHHS regarding this initiative and we will continue to do so along with others.

Changes to Federal Policy

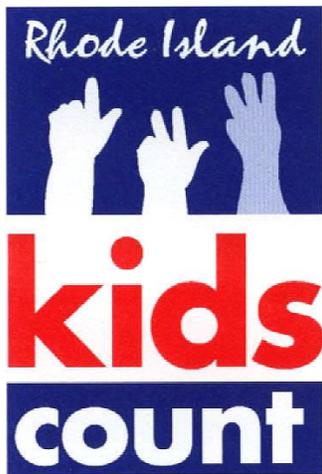
Rhode Island KIDS COUNT will continue to monitor policy changes at the federal level that may affect children’s access to affordable health and dental insurance. In light of those proposals, we have submitted with our testimony an informational fact sheet on 16 aspects of the *Affordable Care Act (ACA)* that directly benefit Rhode Island children.

Closing

Rhode Island KIDS COUNT appreciates this opportunity to testify and thanks the Committee for their strong and continued leadership with children’s health coverage. We urge the Committee to continue to preserve and build upon the successes of the Rite Care program as reinventing Medicaid efforts are implemented and proposed.

References

1. U.S. Census Bureau, American Community Survey, 2015. Table CP03.
2. *The state of children’s health care quality in Medicaid and CHIP: Who are the higher-performing states?* (2015). Rockville, MD: U.S. Department of Health and Human Services.
3. 2016 National Committee on Quality Assurance Rankings.
4. *2015 annual report on the quality of care for children in Medicaid and CHIP.* (2016). Rockville, MD: U.S. Dept. of Health & Human Services.
5. *Monitoring quality and access in Rite Care and Rhody Health Partners.* (2016). Cranston, RI: Rhode Island EOHHS.
6. *Rhode Island annual Medicaid expenditure report – SFY 2015.* (2016). Cranston, RI: Rhode Island EOHHS
7. *Caseload estimating conference testimony of the EOHHS.* (2017). Cranston, RI: Rhode Island EOHHS
8. Rhode Island Department of Health, Hospital Discharge Database, 2006-2015.



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Rhode Island Children and the *Affordable Care Act (ACA)*

For many years, our state and federal leaders have made a big investment in keeping kids healthy by increasing their access to health care coverage.

Building on the success of Rite Care (Rhode Island's Medicaid and CHIP Program), the *Affordable Care Act (ACA)* further helped children gain access to high-quality, affordable, comprehensive health and dental coverage.

Here is list of 16 items that are part of the *ACA* that directly benefit Rhode Island children.

- 1. The *ACA* ensures that all Rhode Island children with Rite Care can keep their Rite Care coverage.** The *ACA* prohibits states from reducing Medicaid and Children's Health Insurance Program (known as Rite Care in Rhode Island) income limits that were in place when the *ACA* went in to effect in 2010. This ensures that thousands of Rhode Island children and pregnant women will maintain coverage under Rhode Island's Rite Care program.
- 2. The *ACA* eliminated annual and lifetime benefit caps for children and parents.** Children stand to lose the most if lifetime benefit caps are eliminated. These caps limit the amount a health insurance plan pays out over a person's lifetime. Limits particularly harm children with chronic conditions and children with very expensive, potentially reoccurring or ongoing conditions like cancer and congenital conditions.
- 3. Private insurance companies cannot deny children or parents' coverage because of pre-existing conditions.** Prior to the *ACA*, many children who had experienced gaps in coverage or did not have coverage could not get health coverage.
- 4. Young adults can continue to be covered until age 26.** The *ACA* allows young adults to remain on their parents' health insurance plans until age 26. It also requires states to allow young people who were formerly in foster care to have Medicaid coverage until age 26.
- 5. Help for families to enroll and stay enrolled.** The *ACA* ensures that Rhode Island has resources to assist families and help those who seek coverage get enrolled and re-enroll every year through HealthSource RI.
- 6. The *ACA* simplified and broadened Medicaid eligibility.** The *ACA* changed how all states determine household size and measure income, and made it easier for families to qualify. This has made access to Rite Care easier and more children and families have Rite Care coverage since the implementation of the *ACA*.
- 7. The *ACA* expanded access to Medicaid.** Medicaid expansion in the *ACA* (which has been adopted in 32 states, including Rhode Island), has directly benefitted children. Research has consistently shown that enrolling more parents and adults in health coverage triggers enrollment of more children in coverage. Since the *ACA* was implemented, the rate of uninsured children in Rhode Island and the U.S. has decreased to historic lows.

8. **The ACA originally established the Maternal, Infant, and Early Childhood Home Visiting (MIECHV) program.** MIECHV provides related funding to expand and improve state-administered home visiting programs for at-risk families of young children. Federal funding is set to expire on September 30, 2017.
9. **“No Wrong Door” application process through HealthSource RI ensures that parents can apply for all types of coverage in one place.** Prior to the ACA, if a parent applied for a private health insurance plan but qualified for Rite Care, that parent would end up paying for coverage she could have obtained for free through Rite Care, creating more hardship for low-income families.
10. **The ACA mandates coverage for maternity and prenatal care, family planning, and women’s preventive health services.** Access to prenatal and maternity care, as well as preventive care for women, before they become pregnant, is critical to ensuring that mothers give birth to healthy, full-term babies. Access to reproductive health care and family planning options help women plan and better space out pregnancies, which reduces infant mortality rates.
11. **The ACA requires insurance to cover breast pumps for nursing mothers and amended federal labor laws to require employers to protect breastfeeding mothers’ ability to pump at work.** Protecting infants’ access to breast milk and making it feasible for new moms to pump and provide breast milk to their babies is a crucial piece of establishing strong infant nutrition and health, including reducing the risk of Sudden Infant Death Syndrome.
12. **Coverage for substance abuse treatment and behavioral health care is critical for protecting children.** The ACA ensures that thousands of Rhode Island adults have access to coverage for behavioral health and substance abuse treatment services. That coverage ensures that parents can continue to care for their children and prevents child abuse and neglect. Any repeal of the ACA that does not ensure that all parents have access to coverage for behavioral health and substance abuse puts children at risk, especially in this time of the opioid crisis.
13. **The ACA requires some insurance plans to cover screening and habilitative treatment for children with autism and other developmental disabilities.** This screening and treatment was routinely excluded from coverage prior to implementation of the ACA and is crucial to appropriately treating children with challenging disabilities early and effectively.
14. **The ACA raised Medicaid reimbursement rates for pediatricians and family doctors.** Before the ACA, far too few pediatricians and physicians accepted Medicaid because reimbursement rates were so low. The ACA made Medicaid reimbursement rates as high as Medicare reimbursement rates for two years, incentivizing physicians to accept more Medicaid patients. Congress must make pediatrician and family physician reimbursement rates for Medicaid a priority to ensure access for all Rhode Islanders, regardless of their income level.
15. **Preventive care and screenings are required under the ACA with no cost sharing (copays).** Prevention and early detection and treatment are critical to ensuring children grow up to be healthy, productive, working adults, benefitting Rhode Island’s economy and saving on health costs in the long term.
16. **Pediatric dental and vision services are Essential Health Benefits that are mandated by the ACA.** Plans in the individual and small employer markets must offer these benefits in both federal and state-run health insurance marketplaces, including HealthSource RI.

Sources:

HealthSource RI Open Enrollment Reports.

The Rhode Island Executive Office of Health and Human Services Caseload Reports.

The Office of the Health Insurance Commissioner February 2017 Newsletter.

Status of State Action on Medicaid Expansion Decisions. (2017). Menlo Park, CA: Kaiser Family Foundation.

Children and the Affordable Care Act. (2017). Columbus, OH: Children’s Defense Fund-Ohio.