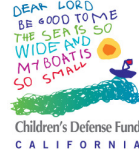




CHILDREN NOW



March 21, 2018

Jennifer Kent, Director
Department of Health Care Services
1501 Capitol Avenue, MS 0000
P.O. Box 997413
Sacramento, CA 99859

Mari Cantwell, Chief Deputy Director of
Health Care Programs
Department of Health Care Services
1501 Capitol Avenue, MS 0000
P.O. Box 997413
Sacramento, CA 99859

RE: Consideration of Proposition 56 Supplemental Payments for Pediatric Preventive Services

Dear Director Kent and Chief Deputy Director Cantwell:

The California Children's Health Coverage Coalition is writing with the recommendation for the Department of Health Care Services (DHCS) to consider supplemental payments for pediatric preventive services within the context of Proposition 56 opportunities. Specifically, in order to ensure that our collective pediatric preventive services goals are realized for more children in Medi-Cal, we believe DHCS should develop a plan and seek federal approval to expand Proposition 56 supplemental payments to include pediatric preventive services. To that end, we would like to request a meeting with DHCS leadership to discuss our recommendations.

Background

As you know, children make up two out of every five Medi-Cal enrollees, and they have unique health care needs that are not congruous with the adult Medi-Cal population and not reflected in an adult model of care. While children sometimes receive episodic care, the predominant care for children is more routine developmental and prevention-focused care. Specifically, the important pediatric preventive services under the Medicaid Early Periodic Screening, Diagnostic and Treatment (EPSDT) include those services covered by the Bright Futures periodicity schedule recommended by the American Academy of Pediatrics (AAP) and other services that are critical to children's development and disease prevention. These Medi-Cal covered preventive services include: well-child visits, developmental and other health screenings, immunization administration, and fluoride varnish application by physicians. This policy is consistent with recently issued health plan guidance (APL 18-007), and the recommended coding practices that coincide with the EPSDT-covered Bright Futures periodicity schedule included in the AAP's "Coding for Pediatric Preventive Care, 2018" manual (available at https://www.aap.org/en-us/Documents/coding_preventive_care.pdf).

According to available data, California performs below the nation's average in providing EPSDT screenings for children. For example, only 42% of children in Medi-Cal received at least one timely initial or periodic screening as recommended, compared to 58% nationally, according to

2016 data. These data indicate a clear need for the state to invest directly in improving preventive care for children and actively promote in partnership with its contracted health plans the utilization of children's preventive care. Opportunities to increase access to services for Medi-Cal beneficiaries, like any available supplemental payments, could be targeted towards children's unique health care needs through a focus on pediatric preventive care.

Opportunity

Voters passed Proposition 56 authorizing Medi-Cal supplemental payments with the goal of increasing provider participation in the Medi-Cal program and increasing access to services for Medi-Cal beneficiaries, including the 5.7 million children in Medi-Cal who need access to a full range of preventive and specialty services. DHCS worked diligently to secure federal approval for an initial list of CPT billing codes for physician services eligible for one year of supplemental payments. Those CPT codes rightfully focused on episodic and acute problem-oriented care services that are especially important for children with special health care needs. However they did not include commonly used pediatric preventive care codes. While it is still too early to evaluate how far the approved supplemental payments have gone towards meeting the Proposition 56 goals for Medi-Cal adults or children, California's children with Medi-Cal cannot wait for improved access to services.

For Fiscal Year 2018-19, there is an estimated \$523 million in total new Proposition 56 funding available for additional provider payments. DHCS should recognize the opportunity to use a portion of the new funds for targeted increases in *pediatric preventive services* so that children in Medi-Cal can also realize the Proposition 56 goals to improve access. We suggest that DHCS use the AAP coding manual and consult with plans and pediatric providers to identify pediatric preventive codes currently used in Medi-Cal that could reasonably be employed to meet the Proposition 56 goals for a broad population of children.

Supplemental payments alone are not a panacea to improving access and utilization for children, but leaving them out could cause more disruptions in pediatric care and exacerbate disparities in child health outcomes. Given that the majority of children in Medi-Cal receive their preventive services through the managed care delivery system, it will be critically important that supplemental payments for services, like well-child visits, are structured to be meaningful within the capitated and bundled payment arrangements in managed care.

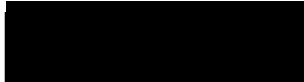
Because the implementation of Proposition 56 payments is still in the early stages, and there are additional new Proposition 56 funds dedicated to additional supplemental payments, there is an important opportunity *this year* for DHCS to consider and pursue supplemental payments for targeted pediatric preventive services, such as well-child visits, developmental and other health screenings, immunization administration, and fluoride varnish application by physicians.

We respectfully request the opportunity to meet with you to discuss DHCS' interest and potential approach to supplementing Medi-Cal pediatric provider payment rates for the above preventive services as part of the proposed Proposition 56 payments in the coming fiscal year. We look forward to hearing back from you soon about scheduling a time to discuss our recommendations.

Sincerely,



Ted Lempert
President
Children Now



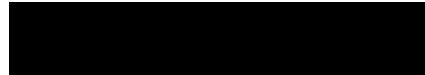
Mayra Alvarez
President
The Children's Partnership



Mark Diel
Executive Director
California Coverage & Health
Initiatives



Peter Manzo
President & CEO
United Ways of California



Shimica Gaskins
Executive Director
Children's Defense Fund –
California

cc:

The Honorable Holly Mitchell, Chair, Senate Budget Committee
The Honorable Phil Ting, Chair, Assembly Budget Committee
The Honorable Kevin de León, President pro Tempore of the Senate
The Honorable Toni Atkins, Incoming President pro Tempore of the Senate
The Honorable Anthony Rendon, Speaker of the Assembly
The Honorable Richard Pan, Chair, Senate Budget Subcommittee #3 on Health and Human Services
The Honorable Joaquin Arambula Chair, Senate Budget Subcommittee #1 on Health and Human Services
Scott Ogus, Consultant, Senate Budget Subcommittee #3 on Health and Human Services
Members, Senate Budget Subcommittee #3 on Health and Human Services
Andrea Margolis, Consultant, Assembly Budget Subcommittee #1 on Health and Human Services
Members, Assembly Budget Subcommittee #1 on Health and Human Services
Adam Dorsey, Assistant Program Budget Manager, Department of Finance
Laura Ayala, Adam Dorsey, Finance Budget Analyst, Department of Finance
Members, Medi-Cal Children's Health Advisory Panel (MCHAP)