

June 12, 2017

The Honorable Bill Cassidy
United States Senate
Washington, D.C. 20510

Dear Senator Cassidy:

As child health advocates and pediatric providers working together toward a common goal of improving access to health coverage for our nation's children and pregnant women, we thank you for drawing attention to children's unique health needs and for arguing in favor of a "Jimmy Kimmel test" before acting on health reform legislation. This test is one that should ensure that we protect children's coverage.

As you said of the American Health Care Act (AHCA) to Mr. Kimmel on his program last month, "Will the child born with congenital heart disease be able to get everything she or he would need in that first year of life? I want it to pass the Jimmy Kimmel test."

We agree that every child should have access to health care that is high-quality, comprehensive and affordable for their family, but childhood does not end after the first year of life. We urge you to apply the "Jimmy Kimmel test" to children's health from birth *throughout* childhood.

As the Senate considers changes to our health care system, children must not lose ground; any health reform legislation must further improve coverage for children and pregnant women or, at the very least, "do no harm." Unfortunately, the House-passed AHCA would in fact harm children, and could not pass any Jimmy Kimmel test, the elements of which we outline below. However, we believe there are some key ways to measure whether any legislation meets our criteria for applying the Jimmy Kimmel test. They include:

- **All children must have continuous, consistent coverage.** Since the passage of the Children's Health Insurance Program (CHIP) in 1997, the uninsured rate for children has dropped by 68 percent – from around 15 percent to less than 5 percent today. This progress is thanks to CHIP and Medicaid working together with the Affordable Care Act (ACA), and has been a national success story that *must not be threatened or reversed*. Congress should reject any legislative action, or inaction, such as failure to extend CHIP, that would increase the number of uninsured children in this country. Any proposal that caps federal funding for Medicaid will lead to coverage losses for children over time.
- **Medicaid coverage for children and pregnant women must be specifically protected.** As currently structured, Medicaid provides comprehensive, high-quality, and affordable health care to 37 million of America's most vulnerable children across the country. Under Medicaid, children are guaranteed benefits that cover a comprehensive array of medically necessary services, including developmental, vision, and hearing screenings. Medicaid's Early and Periodic Screening, Diagnostic and Testing (EPSDT) benefit is viewed by pediatricians as the gold standard of preventive care for children. Medicaid and CHIP also provide access to necessary prenatal care and cover nearly half of all births in this country. Although many people don't realize this, Medicaid and CHIP provide coverage to an estimated 43.4 percent of the nation's children with special health care needs, such as those with autism, epilepsy, or physical disabilities, whose needs can be extensive and expensive.

- **All families must have coverage that is affordable.** Children and pregnant women, regardless of income and health status, must be able to get the care they need without jeopardizing their families' financial security. Reasonable out-of-pocket limits on premiums, deductibles, and cost-sharing in Medicaid and CHIP should be preserved, and similar limits should be established for private pediatric coverage so families with children, especially children with special health care needs, can afford appropriate and timely health care. Maternity and newborn care should continue to be a required covered benefit in all health plans. Affordability of coverage extends to maintaining affordability protections that were part of the ACA, including bans on lifetime coverage limits and annual caps on out of pocket expenditures. Prior to the ACA, a child born prematurely could exhaust her lifetime limit before even leaving the hospital.
- **All children must have coverage that provides all medically necessary, age-appropriate benefits that promote healthy child development.** Pediatric benefits must include the full spectrum of services – from preventive services to specialty and subspecialty clinical interventions. Benefits covered must include comprehensive dental, mental, and behavioral health services, maternity and newborn care, and appropriate services and devices for children with special health care needs, such as the timely replacement of wheelchairs as the child grows, and pediatric physical, occupational, and speech therapies without arbitrary limits.
- **All children must have access to the full range of age-appropriate health care providers, including pediatric and perinatal specialists, subspecialists, and facilities.** Children are not little adults. They require developmentally appropriate care from primary, specialty, subspecialty, and ancillary providers with the training and expertise to care for children. All networks must include all the pediatric providers necessary to maintain existing provider-patient relationships and ensure children have timely access to needed care and their medical home. As a key champion of increasing access to mental health services for children, you recognize that ensuring access to the full continuum of services for children from prevention and early identification to treatment for children with serious emotional disturbance is critical.
- **All children must receive quality health care.** All public and private health plans should be required to report on national pediatric-specific quality measures to assess the quality of care on an ongoing basis, such as those initiated by the 2009 Children's Health Insurance Program Reauthorization Act (CHIPRA). Measuring quality provides critical information about what is working to improve children's health and ensures precious health care dollars are targeted to the most promising and effective treatments.

In assessing the AHCA against this "Jimmy Kimmel" test, it is clear this legislation would receive a failing grade in the following ways:

- **Loss of coverage, especially in Medicaid:** While the Congressional Budget Office's (CBO) analysis of the AHCA did not provide specific details on the impact of the legislation on children's coverage, it is clear that children, who comprise nearly half of all Medicaid enrollees, would be disproportionately impacted and would be among the 14 million Americans the CBO estimates would lose coverage under the proposed Medicaid cuts. Children and pregnant women would also be among the 23 million who become uninsured and the 9 million people projected to be affected by rollbacks in employer-sponsored and non-group market coverage. CBO's analysis also found that the AHCA would cut Medicaid by \$834 billion between fiscal years 2017-2026, a 27% cut.

The House bill's provisions that would impose arbitrary limits on the Medicaid program through per capita caps or block grants would disproportionately harm children and pregnant women. Any

federally-imposed arbitrary cap or limit on Medicaid spending — in any form — would harm people enrolled in Medicaid, especially children, children with disabilities, and pregnant women, and incentivize states to ration coverage, benefits, access to care and affordability to vulnerable populations and the providers that serve them. Medicaid is very efficient, with administrative costs only a fraction of those of commercial coverage, so cuts of this magnitude could only come from huge reductions in eligibility, benefits, and/or provider payments, in turn affecting access to needed care.

- **Loss of access to quality and comprehensive care:** Recently released research that focuses on the House-passed legislation's financial impact on children found that the per capita cap model as passed by the House would result in a \$43 billion reduction in federal funding for non-disabled children from 2020-2026. For children with disabilities and other special health care needs, these reductions could be especially harmful, since states could cut many of the critical services they need, such as those provided under waivers that allow technology-dependent children to live at home instead of in institutions.
- **Loss of access to affordable coverage:** The CBO wrote that "maternity care, mental health and substance abuse benefits, rehabilitative and habilitative services, and pediatric dental benefits" would likely be most threatened in the AHCA with out-of-pocket spending on those services increasing "by thousands of dollars in a given year" in states where they waive ACA benefits and consumer protections for pre-existing conditions and annual or lifetime limits.

As the Senate moves forward with its own version of the AHCA, we ask you to urge your Senate colleagues, at a minimum, to "do no harm" to children. Toward this end, we respectfully request your help to ensure that all future CBO analyses provide details regarding the specific impact of any health proposal on coverage for children and pregnant women, covered by public or private insurance.

Clearly, the AHCA fails to meet many of the factors in your Jimmy Kimmel test. We encourage you to adopt these principles as you evaluate any legislative proposal, and we stand ready to work with you to find solutions for health reform that would improve, rather than harm, children's health coverage. Thank you for your consideration and for all you are doing to raise awareness of this issue.

Sincerely,

American Academy of Pediatrics
Children's Defense Fund
Children's Dental Health Project
Children's Hospital Association
Family Voices
First Focus
March of Dimes
National Association of Pediatric Nurse Practitioners

cc: Jimmy Kimmel, Host, *Jimmy Kimmel Live!*