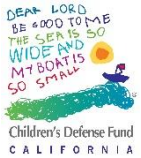

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CALIFORNIA COVERAGE & HEALTH INITIATIVES

The Children's Partnership

March 1, 2018

The Honorable Richard Pan Chair,
Senate Budget Subcommittee #3 on Health and Human Services
State Capitol, Room 5114
Sacramento, CA 95814

The Honorable Joaquin Arambula Chair,
Senate Budget Subcommittee #1 on Health and Human Services
State Capitol, Room 5155
Sacramento, CA 95814

Dear Senator Pan and Assemblymember Arambula:

The California Children's Health Coverage Coalition seeks to ensure all California children have access to affordable, comprehensive health coverage and care. Thanks to the Affordable Care Act, Medicaid, the Children's Health Insurance Program (CHIP), and California's commitment to extend Medi-Cal coverage to undocumented children, 97% of California's children are insured. As we relentlessly defend this progress against federal threats, California must also continue moving forward to protect and strengthen investments in children's health care. The 2018-19 state budget offers an opportunity to make some further advancements to ensure eligible children are enrolled in coverage, improve children's access to appropriate care, and fund preventive and wrap-around services to advance children's health outcomes.

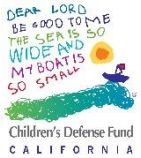
The California Children's Health Coverage Coalition requests that the following budget items in the 2018-19 budget as priorities for children's health care:

1. Women Infant Child (WIC) Express Lane Eligibility (ELE) to Medi-Cal for Children
WIC is a federally funded health and nutrition program for pregnant, postpartum and breastfeeding women, infants and children under age 5 to improve birth and health outcomes. Federal ELE authority and state statute allows for express enrollment into Medi-Cal using WIC income eligibility findings for children and Federal law allows Medicaid presumptive eligibility for WIC pregnant woman. The state statute to implement the WIC automated enrollment gateway requires a budget appropriation, which previously has not been funded.

Of the 202,000 uninsured children in California, about half are eligible but not enrolled in Medi-Cal. Thus, moving the dial toward reducing uninsured children involves strategies to locate and expedite Medi-Cal enrollment for those eligible but not yet enrolled. Because WIC has similar eligibility qualifications to Medi-Cal, an express enrollment from WIC offers a promising strategy for reaching these remaining uninsured infants and children as well as to save administrative costs. Currently, over 90,000 WIC children are not enrolled in Medi-Cal, based on 2017 CalWIC data. While a few of these children may have other coverage, Express Lane Eligibility for all the WIC children would offer an expedited enrollment to those without coverage. Up to 13,000 pregnant WIC women could gain Medi-Cal through presumptive eligibility.

Recommendation: Provide funding to implement expedited Medi-Cal enrollment for WIC children by using WIC eligibility information and federal Express Lane Eligibility (ELE) authority. Provide a presumptive eligibility to pregnant women applying for WIC.

2. Supplemental Medi-Cal Provider Payments for Children's Care
The goals of the Proposition 56 supplemental payments for Medi-Cal physician services were to increase provider participation in the Medi-Cal program and increase access to services.



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However, the current list of services offered these supplemental payments missed an opportunity to realize the Prop 56 goals for most children. The health care billing codes identified for supplemental payments are skewed towards episodic care--problem-oriented evaluation and management services. While children also receive this type of care, the predominant care for children is developmental and prevention-focused care.

Children are a significant share of the Medi-Cal population and their predominant form of physician care, namely preventive care like well-child visits, are left out of the potential access and utilization enhancements under the supplemental payments. California's Medi-Cal is already below the nation's average in providing the required schedule for Early Periodic Screening, Diagnosis and Treatment (EPSDT) services to children, so not providing supplemental payments to pediatric preventive care services misses an opportunity to potentially improve access and utilization of the required EPSDT benefits. Leaving out children's preventive care from eligibility for supplemental payments may also result in miscoding of pediatric care (in order to take advantage of the supplemental payments), which may distort data used in the monitoring of utilization and access. Prop 56 supplemental payments alone, of course, are not a panacea to improving access and utilization for children but leaving them out could cause more disruptions.

Recommendation: Supplement Medi-Cal provider payment rates for preventive pediatric physician services codes as part of the proposed Proposition 56 payments.

3. Healthy Start Grant Initiative to Address the Social Determinants of Health

Ensuring that children and families access the supports and services which they are eligible for or need is a core component to promoting the healthy development and educational success of California's youth. Even with 97 percent of children enrolled in health coverage, disparities in health outcomes persist and children and families too often lack access to the supports and services needed for healthy development. For over a decade California funded the Healthy Start Initiative, which coordinated comprehensive, school-community integrated services and activities to improve the health and wellness of children, youth, and families including: health, dental, and vision care; mental health counseling; family support and parenting education; academic support; health education; safety education and violence prevention; youth development; employment preparation; and more. Evaluations of the program showed that the physical, mental, and emotional health of the students and their families was improved while the child's academic success improved greatly.[i]

However, in 2002, as a response to the recession and state deficit of $24 billion, Healthy Start was largely defunded and shuttered completely in 2007. Much has changed since the height of the Healthy Start Initiative, with numerous public health and human services now being delivered by local county and district based providers. Frequently the delivery of these services depend on separate local planning processes to prioritize the growing range of local funding sources. In order for the siloed services to be coordinated and leveraged in the most efficient and effective way, supporting local collaboration is needed now more than ever.

This proposal would reestablish the Healthy Start Initiative within the State Departments of Education and Health and Human Services to oversee a competitive grant program to fund Local Education Agencies and school districts. The grants would be used to launch local collaboratives between schools, communities, parents, county health and human service agencies and other social service providers to support students and their families in accessing the health, mental health, screenings, and other services needed. Statewide demonstration grants could target school districts serving a large proportion of disenfranchised students, due to poverty, isolation, immigration status or other combinations of deficits in the social determinants of health. The Healthy Start program would additionally provide technical assistance at the state level to

grantees, including implementation of best practices and robust evaluation and outcomes reporting on programs, locally, and collectively.

Recommendation: Establish a Healthy Start pilot grant program to fund school districts to coordinate integrative health and wrap-around services to students and families. (An additional budget letter with greater details about this proposal is forthcoming).

The Coalition also supports and requests your inclusion of the following budget recommendations raised by other stakeholders:

4. **Medi-Cal Coverage for in-Home Asthma Assessments**
Asthma is a significant public health problem and driver of health care costs, and is of particular concern for low-income Californians enrolled in Medi-Cal. Among the nearly 1.5 million Medi-Cal beneficiaries with current asthma, 15% (223,000) have poorly controlled asthma (using recent visit to an emergency department or urgent care clinic as a proxy for poor control), and asthma attacks occur most frequently among children younger than age 5. There are also higher emergency department or urgent care center visits for asthma attacks among black children, highlighting problematic health disparities. Ample research indicates asthma education, including home environmental assessments, frequently provides a return on investment (ROI) due to decreased utilization of more costly health care services such as emergency department visits and hospitalizations.

Last year, the Legislature overwhelmingly passed a policy (i.e. AB 391), which would establish a mechanism to allow Medi-Cal to reimburse asthma education and in-home assessments provided by qualified non-licensed professionals upon the recommendation of a licensed practitioner. The Governor vetoed this bill stating statutory changes were not necessary because of existing administrative authority. In order to realize the policy that could result in fewer asthma attacks for children that could result in ER visits or hospitalizations, there will need to be the necessary funding for Medi-Cal to ensure that qualified professionals that fall outside of the state's clinical licensure system may provide asthma education services and in-home assessments for Medi-Cal patients for whom a provider recommends such services.

Recommendation: Include a Medi-Cal funding augmentation for increasing access to asthma education and home environmental asthma trigger assessments for Medi-Cal beneficiaries with poorly controlled asthma. .

5. Voluntary Home Visiting Services for Vulnerable Young Children and Families
Home visiting programs are a proven strategy for promoting child health, strengthening parenting, and building family self-sufficiency. Through planned visits, trained professionals provide pregnant mothers and new parents with a range of supports to meet the family's needs. Research shows high-quality home visiting programs improve maternal and child health outcomes, quality of parent-child interactions and school outcomes as children grow older. Need for home visiting services far exceeds capacity in existing home visiting programs funded by local First 5 Commissions and the federal Maternal, Infant, and Early Childhood Home Visiting (MIECHV) Program (administered by the California Department of Public Health). The Governor's 2018-19 budget includes a voluntary Home Visiting Initiative for pregnant or first-time parents under 25 years of age enrolled in the CalWORKs program with a child less than 24 months of age. An additional augmentation of $50 million would extend the reach of these home visiting services to additional families in which parents are older than 25 or in which there is a child under age two, even if that child has older siblings.

Recommendation: Adopt the Governor's Home Visiting Initiative proposal and provide additional $50 million in funding to serve more high-needs families with young children.

6. **Health4All: Medi-Cal Coverage for Undocumented Immigrant Adults**

Health4All, building on the success of Health4All Kids, would provide full-scope Medi-Cal to over 1 million low-income undocumented immigrant adults by removing immigration status as an eligibility exclusion. Making Medi-Cal inclusive of all income-eligible Californians builds on our state's leadership in advancing universal coverage and ensures that Californians are not unjustly barred from access to health care due to their immigration status. In 2015, California showed great leadership by investing in access to full-scope Medi-Cal for all income eligible children under the age of 19, regardless of immigration status, which has provided comprehensive care to over 200,000 undocumented children. Through these efforts, California now provides near-universal coverage for children. One in six of all California children have at least one undocumented parent, and children benefit when their parents and family members also qualify for coverage. Further, evidence shows that when parents qualify for coverage they are more likely to also enroll their children and seek preventive care for their children.

Recommendation: Provide funding to expand Medi-Cal coverage to those adults who currently do not qualify due to their immigration status.

Sincerely,

Ted Lempert
President
Children Now

Shimica Gaskins
Executive Director
Children's Defense Fund – California

Mark Diel
Executive Director
California Coverage & Health Initiatives

Mayra Alvarez
President
The Children's Partnership

Peter Manzo
President & CEO
United Ways of 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 Anthony Rendon, Speaker of the Assembly
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

[i] https://education.ucdavis.edu/sites/main/files/The_HS_Initiative.pdf