

**Testimony before the District of Columbia Council
Committee on Health
April 11, 2013**

**FY14 Budget Hearing:
Department of Health Care Finance**

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Good morning Chairman Alexander and members of the Committee on Health. My name is Judith Sandalow. I am Executive Director of the Children's Law Center¹ (CLC) and a resident of the District. I am testifying today on behalf of CLC, the largest non-profit legal services organization in the District and the only such organization devoted to a full spectrum of children's legal services. Every year, we represent over 2,000 low-income children and families, almost every one of whom is a Medicaid recipient. Through a medical-legal partnership with Children's National Medical Center's community health clinics on Good Hope Road and Martin Luther King Avenue, CLC lawyers serve hundreds of children who live in Ward 7.

I appreciate this opportunity to testify regarding the Department of the Health Care Finance's (DHCF) FY14 budget. Over 92,000 children and youth under 21 years old are enrolled in the District's Medicaid program.² A properly functioning Medicaid system is not only vital for ensuring the health of DC's children, but it is also the backbone of our early intervention, mental health and child welfare systems -- providing the services that ensure children reach developmental milestones, aid their academic achievement and reduce their stay in foster care.

Increased Focus on Children Needed

We are pleased that the Department's budget has been increased for FY14 and that the District will continue its strong commitment to public insurance for our neediest residents. However, we are concerned that the budget for Children's Health Services has not been increased and that the division is only being increased by half of a full time equivalent.³ Although there are many talented staff at DCHF, too frequently we are told that an issue impacting children's health is "being worked on" or is on the "to do list." My testimony details some of these areas. I ask the Committee to inquire of Mr. Turnage what resources he would need to successfully complete these projects during FY14 and, then, to allocate sufficient resources for him to do so. Although the dollars recouped from Medicaid may not be significant in some of these areas, the impact on children's health is. If the District wants to make progress in a host of other areas -- early education, reducing truancy, keeping children at

home with their families rather than in residential placements and foster homes and reducing juvenile crime -- we need a fully functioning, easily accessible Medicaid system.

DCHF is not ensuring that all pediatricians are screening children for mental health needs as is required by law. DCHF needs to develop a plan to ensure compliance and to allocate necessary resources to implement the plan. Early identification and treatment of mental health problems is critically important and pediatricians are ideally situated to screen children for mental health needs, provide basic mental health care and refer children to mental health clinicians when the child's condition warrants such a referral. Federal Medicaid law requires these screening⁴ and leading medical organizations such as the American Academy of Pediatrics endorse them.

The Department is also working with DMH to bill Medicaid to cover other important services for children: Trauma-Focused Cognitive Behavioral Therapy, Child Parent Psychotherapy for Family Violence and High-Fidelity Wraparound Services.⁵ It is important that this move quickly so that more children can benefit from these evidence-based treatments and that DCHF responds quickly to future requests to bill Medicaid for necessary services so that limited local dollars are freed up to pay for services that Medicaid will not cover.

As required by last year's Budget Support Act, the Department is working on a plan to allow behavioral health providers to bill for communications between a provider and individuals necessary to diagnosis or treat a child. Reimbursing providers for this is extremely important because providing high-quality care requires a clinician to speak to the other key adults, such as pediatricians and teachers, in a child's life. In order to be effective on October 1, draft regulations and a fee-for-service payment rate need to be completed by the end of this month.

Key Moment for New MCOs

Right now is a key moment for our Medicaid program. The Department has just announced its intention to awarded three new Managed Care Organizations (MCOs) with contracts to cover the majority of the District's Medicaid recipients. Now is the time to ensure these MCOs will provide the best care possible to our children. Our Medicaid funded mental

health system for children remains too fragmented and difficult to navigate for both families and providers and I hope some changes in the MCO contracts will begin to improve this process.

The way that providers are credentialed must be streamlined so that it is easier for providers to serve all children on Medicaid. The new MCO contracts may make the credentialing process easier. The Department worked with DMH to include new language in the Request for Proposal that was used to solicit bids from the MCOs regarding the MCOs' responsibilities in terms of behavioral health. One of the new requirements should make it easier for mental health providers who are already credentialed with DMH to become part of the MCO networks.⁶

Currently data on utilization and network sufficiency for children's mental health is not readily available. Without this data being available and regularly reviewed, neither the Department nor the Council can ensure the MCOs are fulfilling their obligations. The Request for Proposal sets forth many things that the MCOs may be required to track and report on – for example, that the MCOs comply with all reporting requirements related to DHCF's monitoring of the child health component of the Medicaid program, called the EPSDT benefit.⁷ The contracts must retain this language and MCOs must be held accountable by DHCF and this Council. The MCOs are receiving millions of taxpayer dollars and caring for some of our most vulnerable children. We urge the Council and DHCF to regularly obtain and publish detailed utilization data from the MCOs regarding mental health services to children and to come up with an action plan on how to ensure all children receive appropriate, timely treatment.

In conclusion, we urge the Committee to ensure that DHCF has sufficient funds to resolve many issues that impede progress toward improving children's health. We applaud DHCF for the positive steps they have taken to improve the Medicaid program, and we look forward to working with them and this Committee to ensure all children receive timely, high-quality care. Thank you for the opportunity to testify. I am happy to answer any questions.

¹ Children’s Law Center works to give every child in the District of Columbia a solid foundation of family, health and education. We are the largest provider of free legal services in the District and the only to focus on children. Our 80-person staff partners with local pro bono attorneys to serve more than 2,000 at-risk children each year. We use this expertise to advocate for changes in the District’s laws, policies and programs. Learn more at www.childrenslawcenter.org.

² 92,720 total individuals are eligible for EPSDT services. U.S. Department of Health and Human Services, Centers for Medicare & Medicaid Services, Form 416 Annual EPSDT Participation Report, FY 2011 (most recent available).

³ DHCF FY14 Budget, E-180, Preventive and Acute Care. This line item reflects a \$599,000 decrease but it is our understanding from conversations with the Department that this decrease relates to decreased court monitor and penalty costs under the *Salazar* court case.

⁴ 42 U.S.C. §1369(a)(43): The Early Periodic Screening, Diagnosis and Treatment provision of federal Medicaid law; District of Columbia Medicaid State Plan §3.1(a)(9).

⁵ DMH’s responses to the Health Committee FY12 Oversight Questions, Q50.

⁶ Department of Health Care Finance, *Request for Proposal for Managed Care Organizations*, C.8.2.8, 89 (2012).

⁷ Department of Health Care Finance, *Request for Proposal for Managed Care Organizations*, C.6.10.1.1, 70 (2012).