501 3rd Street, NW · 8th Floor
Washington, DC 20001
T 202.467.4900 · F 202.467.4949
www.childrenslawcenter.org

Testimony Before the District of Columbia Council
Committee on Health
April 29, 2024

Public Hearing:
Budget Oversight Hearing
Department of Health Care Finance

Leah Castelaz
Policy Attorney
Children's Law Center

Introduction

Good morning, Chairperson Henderson, and members of the Committee. My name is Leah Castelaz. I am a Policy Attorney at Children's Law Center and a resident of the District. Children's Law Center believes every child should grow up with a strong foundation of family, health and education and live in a world free from poverty, trauma, racism and other forms of oppression. Our more than 100 staff – together with DC children and families, community partners and pro bono attorneys – use the law to solve children's urgent problems today and improve the systems that will affect their lives tomorrow. Since our founding in 1996, we have reached more than 50,000 children and families directly and multiplied our impact by advocating for city-wide solutions that benefit hundreds of thousands more.

Thank you for the opportunity to testify today regarding the Mayor's proposed budget for the Department of Health Care Finance (DHCF). In the past few years, DHCF has spearheaded both the Perinatal Mental Health Task Force (Task Force) and the newly restarted Maternal Health Advisory Group (MHAG).[1] Both groups have identified myriad opportunities for the District to improve perinatal health outcomes.[2] Specifically, the Task Force report identifies home visiting as a critical support in the continuum of care to address perinatal health concerns – both physical and mental health.[3]

Children's Law Center agrees – home visiting in the District has provided significant supports across a multitude of populations to help build solid foundations for

children and families. As of FY23, there are 17 home visiting programs throughout the District.[4] One of those programs is implemented by Mary's Center, and is known as Nurse Family Partnership First Time Mother's Home Visiting Program (NFP FTM).[5] In 2021, Mary's Center piloted NFP FTM to help address a gap in the populations being served by home visiting programs in the District. NFP FTM focused on supports for first-time mothers facing financial barriers.[6] NFP FTM is a widely researched, evidence-based home visiting model with proven long-term positive outcomes for both the child and parent participants.[7] Since the launch of NFP FTM, Mary's Center has seen many positive outcomes for its participants.[8]

We are grateful for the Council's efforts to support the establishment of NFP FTM in the District. In FY22 and FY23, DC Health local funds were used to support the launch of NFP FTM in the District.[9] Mary's Center secured the necessary additional funding through private philanthropic dollars. In FY24, the funding for NFP shifted from DC Health to DHCF with an increase in the total funding allocation.[10] The goal of the shift from DC Health to DHCF was to support the inclusion of NFP FTM and other evidence-based home visiting programs in the District into Medicaid reimbursement.[11] In FY24, DHCF awarded NFP FTM a one-time grant funding of $225,000 to continue to support their work while waiting for Medicaid reimbursement to become available.[12] Unfortunately, as of today, Medicaid reimbursement for home visiting is not yet available and there is no clear timeline for when it will become available.

We were, therefore, very pleased to see that the Mayor's proposed budget includes recurring funding of $225,000 for home visiting grants.[13] Unfortunately, this is not sufficient to keep the District's NFP FTM program open in FY25. NFP FTM costs $800,000 per year – this cost covers staff, all of whom are registered nurses, training, services and resources for families, and supervision.[14] Based on Mary's Center past fundraising performance, we are hopeful that Mary's Center will raise approximately $100,000 to support this program. The Council, therefore, needs to invest an additional $475,000 in one-time funding to keep the program running in FY25.

We are asking this Committee for one-time funding (instead of recurring funds) because we believe – with the right strategy and investments – the District can ensure home visiting is Medicaid reimbursable before the end of FY25. To do this, the Committee must also fund the Home Visiting Services Reimbursement Act of 2023 ("Home Visiting Medicaid Reimbursement"). Investment in Home Visiting Medicaid Reimbursement means that the District will be able to strategically leverage federal Medicaid dollars to support NFP FTM and other evidence-based home visiting programs beginning in FY25. Sustaining NFP FTM for FY25 and investing in its future through Medicaid dollars is a smart move for the District. Difficult budget years – like this one – often highlight how unstable grant funding is. Grants can easily be cut or repurposed, leaving programs unsure of their futures. Medicaid funding is significantly more stable and ultimately allows the District to move away from heavy reliance on local dollars to fund programs.

We, therefore, ask this Committee to also invest in Home Visiting Medicaid Reimbursement.

My testimony today will therefore focus on the steps this Committee must take to ensure home visiting services for first time mothers remain available to District families. Specifically, the Committee must: (1) invest one-time funding of $475,000 so the program survives in FY25 and (2) invest in and support Home Visiting Medicaid Reimbursement, ensuring the sustainability and longevity of NFP FTM.

DC's First Time Mothers' Program is at Risk of Ending if an Investment is Not Made in the FY25 Budget

Overall, DC ranks as one of the lowest in the nation for perinatal and infant health outcomes.[15] To begin to remedy this grim reality, the District has made several key investments in perinatal and infant health programs meant to support the whole family.[16] One of those programs has included the Nurse Family Partnership First Time Mother's Home Visiting Program (NFP FTM).

NFP FTM is a home visiting program that utilizes registered nurses to provide home visits to first-time mothers, beginning during pregnancy and continuing through the child's second birthday.[17] The program is aimed at new mothers with additional risk factors such as low income, single parenting, and age (under 19).[18] The home visitors work with parents to improve perinatal health outcomes, promote the parent-child relationship, and enhance child development.[19]

NFP FTM is a great investment in the continuum of care for the District's perinatal and infant population. Specifically, NFP FTM targets negative outcomes with proven strategies such as clinical assessments, individualized goal setting, educational materials, and self-advocacy skill building. In 2021, Mary's Center piloted NFP FTM in the District with support from local funding from the DC Council.[20] The original goal was to work with 12 families over two years in specific DC neighborhood clusters and populations identified by DC Health to have the highest rates of preterm delivery.[21] As we approach the end of the pilot period, the program has exceeded expectation – serving 96 first time mothers.[22]

Further, the program is reporting positive outcomes and improvements in perinatal and infant health across the two full calendar years. NFP FTM has supported no infants being born with a very low birth weight in 2023, ensuring all infants have up-to-date immunizations at 6 months, and providing all participants with mental health referrals when appropriate. Additionally, Mary's Center reported on father involvement in child's care and play – growing the scope of the home visiting program to include all relevant caregivers. The outcomes of mothers enrolled in NFP FTM are better than perinatal and infant health outcomes in the District as a whole.[23]

Despite the immensely positive impact of NFP FTM in the pilot period and the continued support across the District, all funding for NFP FTM is set to end by September 2024. Without additional funding, this program will be discontinued in FY25. There are

families currently enrolled in the program who will experience a direct loss in services if this program closes. The skilled and experienced staff currently working in the program will also be laid off. In sum, not providing further investment would result in a loss of trust within the community, impact the healthcare workforce, and be a missed opportunity to continue to solidify the continuum of care needed for perinatal health in the District.

The program currently costs $800,000 per year. We are pleased that the Mayor has provided a $225,000 investment in the proposed budget. However, that is not enough. There remains a gap of $575,000 to fully fund the program in FY25. Mary's Center has been working diligently to fill the gap and based on conversations with funders, we are hopeful they can fill in an additional $100,000 to support the continuation of NFP FTM in FY25. Therefore, we are asking for this Committee to provide one-time funding of $475,000 for NFP FTM to ensure the program does not have close in FY25. Ultimately, it is more cost effective to sustain this successful program now than to reestablish it later.

Investing in Medicaid Reimbursement for Home Visiting Will Make the Program Sustainable and Require Less Local Funding

It is clear the current funding structure for NFP FTM as well as other home visiting programs is not sustainable. Utilizing grants to fund home visiting means that programs are subject to yearly changes in their budget. Home visiting programs in the District have been plagued by fluctuations in funding causing instability particularly around hiring.[24] Grant funding is also subject to expiration like NFP FTM is experiencing. There are,

however, pathways towards more sustainable funding for home visiting programs in the District – by making applicable home visiting services eligible for Medicaid reimbursement.

The Mayor, DHCF, and the Council have all recognized and shown support for this path forward for home visiting. The Mayor included money for home visiting in the proposed FY25 budget.[25] DHCF during their budget briefing shared that they have chosen to make home visiting funding reoccurring to support the future incorporation of home visiting into Medicaid.[26] The Council passed the Home Visiting Services Reimbursement Act of 2023.[27]

Specifically, Home Visiting Medicaid Reimbursement requires DHCF to submit a State Plan Amendment (SPA) to make home visiting services reimbursable in the District. Eligible, evidence-based home visiting programs' ability to draw down Medicaid dollars opens up the possibility for more consistent and stable funding for these vital home visiting programs.[28] The legislation requires a per-member per-month payment for home visiting programs, which would allow programs to consistently budget as it would be primarily dependent on the number of enrollees and the reimbursement rate established by DHCF.[29] Per member per month reimbursement is well-suited to cover the work of home visitors and support provided services like breastfeeding education, parenting skills, family planning, nutritional information, case management, referral to services, screening and health promotion and counseling.[30]

We, therefore, ask this Committee to fund Home Visiting Medicaid Reimbursement. Funding Home Visiting Medicaid Reimbursement would help ensure that the funding for NFP FTM needed in FY25 is truly only one-time dollars. If funded in FY25, DHCF would be able to write the SPA, submit it to the Centers for Medicare and Medicaid (CMS), and, hopefully, receive approval. The ultimate goal is to begin to reimburse for home visiting services in FY25. If the investment in Medicaid reimbursement is reoccurring, the funding needed for NFP FTM would shift to Medicaid and the grant investment of $475,000 would not be needed in FY26. By providing a little more funding in FY25, the Council is strategically shifting local dollars to federal dollars in FY26 and beyond.

There are some obstacles to funding Home Visiting Medicaid Reimbursement. To fund this Act, the fiscal impact statement (FIS) must accurately reflect the true cost to the District. In an independent review of the FIS for Home Visiting Medicaid Reimbursement we believed the Office of the Chief Financial Officer (OCFO) had inflated the cost of home visiting Medicaid reimbursement in the District. We believe the FIS overestimates the cost to the District to provide Medicaid coverage of home visiting based upon multiple factors, including:

- Failing to account for other federal program dollars that currently support Home Visiting programs serving District Residents.
- Overestimating the cost of covering Alliance beneficiaries.
- Expecting significantly higher growth rate of programs.
- Sharing an incorrect number of eligible home visiting programs for Medicaid coverage.

For further explanations please see Attachment A, a letter to the Committee on Health detailing the changes that could be made to the FIS.[31]

Additionally, we would like to note that the FIS for FY25 can also be lowered with an amendment to the legislation to delay the start date for the SPA. Currently, the legislation requires that health insurance coverage through Medicaid or DC Healthcare Alliance and the Immigrant Children's Program begin on January 1, 2025.[32] This is likely too quick of a turnaround for DHCF to create a SPA, submit it to CMS, and receive approval. Therefore, we have suggested delaying the date to July 1, 2025. This would follow a similar timeline to the doula Medicaid reimbursement work that DHCF undertook in 2022.[33] We want to ensure DHCF has sufficient time to create a SPA that has stakeholder input and provides a sufficient reimbursement rate for eligible programs to be sustained by Medicaid reimbursement.

We appreciate this Committee, its staff, and the councilmembers including Councilmember Nadeau, the introducer of the Act, for leading on amending the FIS for Home Visiting Medicaid Reimbursement. We are glad to continue to work with this Committee, DHCF, and the OCFO to establish a lower FIS for FY25 and beyond.

Given the difficult budget year, we are hopeful we can lower the FIS, so it is reflective of the true cost to District to establish Medicaid reimbursement of home visiting. While we are confident it will be lower than the $3 million originally estimated, we also want to ensure that Medicaid reimbursement for home visiting programs can

come online in FY25.[34] Therefore, we ask that this Committee fund the final FIS provided by the OCFO for Home Visiting Medicaid Reimbursement.

Ultimately, funding Medicaid reimbursement in FY25 will be the most cost-effective way to support home visiting in the future and ensure during future years with difficult budget forecasts that home visiting programs across the District are not susceptible to cuts. Additionally, investing now in Medicaid reimbursement is a strategic way to support NFP FTM so they can continue this program for years to come. For home visiting to continue to be part of both DC Health's and DHCF's strategies to reduce poor perinatal health outcomes, the District must invest in this Act.[35]

Conclusion

In a time of economic difficulty, the DC Council can choose to take the long view; it can choose to protect important investments in our community's future health and economic development. As the Council considers spending to drive business and tourism, we ask that you to also recognize that the growth and vitality we want in our city requires multi-dimensional investments inclusive of all parts of our community. We must act from the District's values.[36] Even with budget pressures, we urge this Council to not forget what residents have repeated in public hearings over the last year – that public safety, academic achievement and economic development require sustained investment in access to housing, education, and healthcare.

While not investing further funding in home visiting may appear to balance the budget books, it will likely destabilize DC families. Losing home visiting, specifically NFP FTM, could be devastating for DC children and families as it might be *the one thing* helping a family make it work when everything else seems to be working against them. We cannot achieve long-term stability without a budget that prioritizes the well-being of DC residents.

In addition to the impact on families, there will be consequences for the District's economy in the long run. Just as eviction is a short-term fix that is ultimately more costly than prevention services like rental assistance, it is ultimately better to sustain programs through a tough budget year than to try to rebuild them later. Critically, the District cannot afford to disinvest from our labor market. We are already desperate to retain and expand our education, social service, and healthcare workforces. Cutting their jobs will only worsen the existing and future crises in these fields.[37]

Creating a balanced budget that ensures investments in the above budget asks does not always require cuts – the District can and should also consider opportunities to raise revenue. The District must ensure that it is doing everything to leverage federal dollars like Medicaid. Funding the Home Visiting Services Reimbursement Act of 2023 at a lowered FIS is a step in that direction.

To truly maintain our values and the programs that support economically vulnerable District residents, and ensure a stronger economic future, we encourage the

Council to consider revenue-raising proposals. The Council must be mindful that other revenue-raising options are balanced and do not wrongly burden low-income residents. We welcome the opportunity to work with the Council as it navigates a difficult budget season to ensure that revenue raised goes to support children and their families through funding home visiting in the District. Thank you for the opportunity to testify. I welcome any questions the Committee may have.

---

[1] Department of Health Care Finance, Maternal Health Projects, *available at*: https://dhcf.dc.gov/maternalhealthprojects; Department of Health Care Finance, Perinatal Mental Health Task Force, *available at*: https://dhcf.dc.gov/publication/perinatal-mental-health-task-force.

[2] *Id.*

[3] Department of Health Care Finance, Perinatal Mental Health Task Force Report, (January 2024), p. 27-29, *available at*: https://dhcf.dc.gov/sites/default/files/dc/sites/dhcf/page_content/attachments/Perinatal%20Mental%20Health%20Task%20Force%20Report%20and%20Recommendations.pdf.

[4] District of Columbia Home Visiting Council, 2023 Annual Report, *available at*: https://wearedcaction.org/wp-content/uploads/2023-Home-Visiting-Council-Annual-Report.pdf.

[5] *Id.*

[6] FY2021 DC Health Performance Oversight Responses, response to Q41 and page 199, *available at*: https://dccouncil.gov/wp-content/uploads/2022/02/dohpoh.pdf; Nurse-Family Partnership, *available at*: https://www.nursefamilypartnership.org/; U.S. Department of Health & Human Services, Home Visiting Evidence of Effectiveness, *Implementing Nurse-Family Partnership (NFP), available at*: https://homvee.acf.hhs.gov/implementation/Nurse-Family%20Partnership%20(NFP)%C2%AE/Model%20Overview.

[7] U.S. Department of Health & Human Services, Home Visiting Evidence of Effectiveness, *Implementing Nurse-Family Partnership (NFP), available at*: https://homvee.acf.hhs.gov/implementation/Nurse-Family%20Partnership%20(NFP)%C2%AE/Model%20Overview; Miller TR. Projected Outcomes of Nurse-Family Partnership Home Visitation During 1996-2013, USA. Prev Sci. 2015 Aug;16(6):765-77. doi: 10.1007/s11121-015-0572-9. PMID: 26076883; PMCID: PMC4512284; Nurse-Family Partnership, *Proven Effective Through Extensive Research, available at*: https://www.nursefamilypartnership.org/about/proven-results/; RESEARCH FOLLOW-UP HIGHLIGHTS NURSE-FAMILY PARTNERSHIP'S SUBSTANTIAL IMPACT ON LOWERING HYPERTENSION RATES IN MOTHERS AND REDUCING OBESITY AMONG THEIR DAUGHTERS, Nurse-Family Partnership, (January 25, 2024), *available at*: https://www.nursefamilypartnership.org/in-the-news/research-follow-up-highlights-nurse-family-partnerships-substantial-impact-on-lowering-hypertension-rates-in-mothers-and-reducing-obesity-among-their-daughters/.

[8] Data on Nurse-Family Partnership in calendar year 22 and calendar year 23 on file with Children's Law Center.
[9] FY2021 DC Health Performance Oversight Responses, response to Q41 and page 199, *available at*: https://dccouncil.gov/wp-content/uploads/2022/02/dohpoh.pdf.
[10] FY2024, Department of Health Care Finance Budget, District's Approved Budget Enhance, E-62.
[11] Council of the District of Columbia Office of the Budget Director, Certification of the Draft Report and Recommendations of the Committee on Health on the Fiscal Year 2024 Budget and Financial Plan for Agencies Under Its Purview, (April 26, 2023), p. 96, *available at*: https://lims.dccouncil.gov/downloads/LIMS/52615/Committee_Report/B25-0203-Committee_Report7.pdf?Id=162585.
[12] FY2023 Department of Health Care Finance Performance Oversight Responses, response to Q80, *available at*: https://lims.dccouncil.gov/Hearings/hearings/282.
[13] Mayor's Proposed FY 2025 Budget and Financial Plan, Volume 4 Agency Budget Chapters – Part III, Human Support Services, Operations and Infrastructure, Financing and Other, and Enterprise and Other, p. E-63.
[14] Per Mary's Center, please reach out to Fernanda Ruiz, Home Visiting Director at Mary's Center, fruiz@maryscenter.org.
[15] FY2023 DC Health Performance Oversight Responses, response to Q43, *available at*: https://lims.dccouncil.gov/Hearings/hearings/232; Perinatal Mental Health Task Force: Recommendations to Improve Mental Health in the District, January 9, 2024, p. 38, *available at*: https://lims.dccouncil.gov/downloads/LIMS/54594/Introduction/RC250123-Introduction.pdf?Id=183298; District of Columbia's Maternal Mortality Review Committee Annual Report, 2021, published September 2023, *available at*: https://ocme.dc.gov/sites/default/files/dc/sites/ocme/MMRC2021Annual%20ReportFinal.pdf; Ayan Sheikh and Chris Remington, *Why do so many Black infants in D.C. die before their first birthday*, January 30, 2024, *available at*: https://wamu.org/story/24/01/30/listen-why-do-so-many-black-infants-in-d-c-die-before-their-firstbirthday/; Rachel Metz, *DC Must Continue Tackling Youth Mental Health Crisis*, DC Action, August 21, 2023, *available at*: https://www.wearedcaction.org/blog/dc-must-continue-tackling-youth-mental-healthcrisis.
[16] Programs like HealthySteps, home visiting, doula Medicaid reimbursement. *See* Leah Castelaz, Testimony Before the DC Council Committee on Health, (December 14, 2023), *available at*: https://childrenslawcenter.org/wp-content/uploads/2023/12/L.-Castelaz_Maternal-Health-Roundtable_Committee-on-Health_December-14-2023_final.pdf.
[17] Nurse-Family Partnership, *available at*: https://www.nursefamilypartnership.org/; U.S. Department of Health & Human Services, Home Visiting Evidence of Effectiveness, *Implementing Nurse-Family Partnership (NFP), available at*: https://homvee.acf.hhs.gov/implementation/Nurse-Family%20Partnership%20(NFP)%C2%AE/Model%20Overview.
[18] *Id.*
[19] *Id.*
[20] FY2024 DC Health Budget Oversight Responses, response to Q14(c), *available at*: https://www.dropbox.com/sh/z6g48dc4tq8528u/AAAIiPdhYtacABxBTKEvacWWa/FY%202024%20Budget/DOH/Agency%20Responses?dl=0&preview=FY24+DC+Health+Budget+Oversight+Questions_final040723.docx&subfolder_nav_tracking=1.
[21] FY2021 DC Health Performance Oversight Responses, response to Q41 and page 199, *available at*: https://dccouncil.gov/wp-content/uploads/2022/02/dohpoh.pdf.

[22] Data on Nurse-Family Partnership in calendar year 22 and calendar year 23 on file with Children's Law Center.
[23] FY2023 DC Health Performance Oversight Responses, response to Q43, *available at*: https://lims.dccouncil.gov/Hearings/hearings/232.
[24] District of Columbia Home Visiting Council, Home Page, *available at*: http://www.dchomevisiting.org/; District of Columbia Home Visiting Council, 2023 Annual Report, *available at*: https://wearedcaction.org/wp-content/uploads/2023-Home-Visiting-Council-Annual-Report.pdf; Leah Castelaz, Testimony Before the DC Council Committee on Health, (October 4, 2023), *available at*: https://childrenslawcenter.org/resources/testimony-home-visiting-services-reimbursement-and-childhood-continuous-coverage-acts-of-2023/; Leah Castelaz, Testimony Before the DC Council Committee on Health, (April 10, 2023), *available at*: https://childrenslawcenter.org/resources/fy24-budget-testimony-dc-health/; Leah Castelaz, Testimony Before the DC Council Committee on Health, (March 2, 2023), *available at*: https://childrenslawcenter.org/resources/fy23-oversight-testimony-dc-health/.
[25] Mayor's Proposed FY 2025 Budget and Financial Plan, Volume 4 Agency Budget Chapters – Part III, Human Support Services, Operations and Infrastructure, Financing and Other, and Enterprise and Other, p. E-63.
[26] Notes from Department of Health Care Finance Budget Briefing on Thursday, April 11, 2024, on file with Children's Law Center.
[27] D.C. Law L25-0142. Home Visiting Services Reimbursement Act of 2023.
[28] HRSA, Managing Multiple Funding Sources to Supporting Home Visiting Programs, *available at*: https://mchb.hrsa.gov/sites/default/files/mchb/programs-impact/managing-multiple-funding.pdf; Elisabeth Burak and Vikki Wachino, Promoting the Mental Health of Parents and Children by Strengthening Medicaid Support for Home Visiting, Think Bigger Do Good, May 9, 2023, *available at*: https://thinkbiggerdogood.org/promoting-the-mental-health-of-parents-and-children-by-strengtheningmedicaid-support-for-home-visiting/; and National Academy for State Health Policy, Medicaid Reimbursement for Home Visiting: Findings from a 50-State Analysis, May 1, 2023, *available at*: https://nashp.org/state-medicaid-reimbursement-for-home-visiting-findings-from-a-50-state-analysis/.
[29] D.C. Law L25-0142. Home Visiting Services Reimbursement Act of 2023; National Academy for State Health Policy, Medicaid Reimbursement for Home Visiting: Findings from a 50State Analysis, May 1, 2023, *available at*: https://nashp.org/state-medicaid-reimbursement-for-homevisiting-findings-from-a-50-state-analysis/.
[30] At least 19 states cover some form of skill building provided by home visiting, including Maryland. *See* National Academy for State Health Policy, Medicaid Reimbursement for Home Visiting: Findings from a 50 State Analysis, May 1, 2023,*available at*: https://nashp.org/state-medicaid-reimbursement-for-homevisiting-findings-from-a-50-state-analysis/.
[31] For further calculations please reach out to Leah Castelaz, LCastelaz@childrenslawcenter.org to access excel document associated with Attachment A.
[32] D.C. Law L25-0142. Home Visiting Services Reimbursement Act of 2023.
[33] The Maternal Health Advisory Group (MHAG) launched in December 2021, the MAHG met from December through June to inform the State Plan Amendment (SPA), DHCF submitted the SPA in July 2022, DC received approval of doula services from Centers for Medicare and Medicaid (CMS) on September 28, 2022, and services began October 1, 2022. *See* Department of Health Care Finance, Maternal Health Projects, *available at*: https://dhcf.dc.gov/maternalhealthprojects.
[34] Government of the District of Columbia Office of the Chief Financial Officer, Fiscal Impact Statement – Home Visiting Services Reimbursement Amendment Act of 2023, (December 11, 2023), *available at*:

https://lims.dccouncil.gov/downloads/LIMS/53251/Committee_Report/B25-0321-Committee_Report1.pdf?Id=181986.

[35] "The District, through Mayor Bowser's leadership and commitment to improving maternal health, is undertaking efforts to improve health outcomes and expand options for families to be successful. Bill 25-0321 builds an existing program and encourages expanding access to home visiting by leveraging federal Medicaid funding." Director, Byrd, Hearing on Home Visiting Reimbursement Act of 2023, October 4, 2023, *available at*: https://www.youtube.com/watch?v=K8JH7OoxfJw&t=550s. *See also* Doctor Doe, Roundtable: Maternal and Infant Health: Addressing Coverage, Care, and Challenges in the District, December 14, 2023, *available at*: https://www.youtube.com/watch?v=NsQaTDG7_jc.

[36] Government of the District of Columbia, Muriel Bowser, Mayor, #DCValues Playbook, *available at*: https://mayor.dc.gov/sites/default/files/dc/sites/mayormb/publication/attachments/DC%20Values%20Playbook.pdf.

[37] Mayor Muriel Bowser, Mayor's Healthcare Workforce Task Force, Report and Recommendations, *available at*: https://dchealth.dc.gov/sites/default/files/dc/sites/doh/publication/attachments/2023-09-Healthcare-Workforce-Report-web.pdf; Mike Murillo, DC task Force to tackle health care worker shortage in the city, wtop news, May 5, 2022, *available at*: https://wtop.com/dc/2022/05/dc-task-force-to-tackle-health-care-worker-shortage-in-the-city/; D.C. Policy Center, Workforce and Labor Markets, *available at*: https://www.dcpolicycenter.org/workforce/.

ATTACHMENT A

February 20, 2024

Updated: March 21, 2024

Honorable Christina Henderson
Chair, Committee on Health
Council of the District of Columbia
1350 Pennsylvania Avenue, N.W.
Washington, DC 20004

Re: Fiscal Impact Statement for the Home Visiting Reimbursement Act of 2023

Dear Chairperson Henderson:

During the Department of Health Care Finance's Performance Oversight Hearing, you indicated you would welcome additional information regarding the OCFO's cost estimate for implementing the Evidence-based Home Visiting Program. As you heard from Fernanda Ruiz of Mary's Center, home visiting programs and advocacy organizations believe the OCFO grossly overestimated the cost to the District to provide Medicaid coverage of Home Visiting based upon multiple factors. Our rationale and analysis are set forth below. In addition, we have provided a spreadsheet that includes revised calculations that substantially reduce the local cost of implementing the Home Visiting Reimbursement Amendment Act.

I. The OCFO failed to account for other federal program dollars that currently support Home Visiting programs serving District Residents.

The OCFO's estimate of costs fails to account for other federal funding that currently supports Home Visiting Programs in the District. Early Head Start, for example, is funded by other Federal grants.[11] HIPPY is federal funding via Community-based Child Abuse and Prevention funds, while Mary's Center receives $1.2 million from DC Health through Maternal, Infant, and Early Childhood Home Visiting (MIECHV) Program funding to support Healthy Families America (HFA) and Parents as Teachers (PAT).[2] Medicaid (including the use of local Medicaid dollars) should not be used to supplant other Federal grant funding, particular grant funding that is formula based. The OCFO's failure to factor in existing federal funding erroneously inflates the cost of financing remaining costs through Medicaid. Removing the number of families currently being served by federal funding brings the total number of families for FY2025 down to 248. (see table 1 on excel tab "Financing _ PP + MV").

II. The OCFO overestimated the cost of covering Alliance beneficiaries.

The OCFO estimates that the yearly cost of serving one family in a home visiting program is $7,560. For a Medicaid beneficiary, the OCFO calculated the local cost to be $2,268. However, for an Alliance family, the OCFO concluded that the District would be responsible for the full cost of the program, or $7,560. In so doing, the OCFO failed to consider:

[1] While Medicaid covers Medical costs for many children in Head Start, as a general rule, other States are not using Medicaid coverage for home visiting to pay for Head Start.

[2] DC Home Visiting Council, Annual Report for FY2023, *available at*: https://www.wearedcaction.org/sites/default/files/2023%20HV%20Annual%20Report%20.pdf; FY2023 DC Health Performance Oversight Responses, response to Q45, *available at*: https://lims.dccouncil.gov/Hearings/hearings/232.

A. Last year, following guidance published by CMS in State Health Official Letter 02-004, DHCF published a Notice of Intent to change its CHIP State Plan to establish CHIP eligibility for pregnant District residents with incomes at or below 319% of FPL who are not eligible for or enrolled in Medicare, Medicaid, or other third-party medical insurance. (See attached). The stated purpose of this SPA is to promote healthy pregnancies and healthy children regardless of the pregnant mother's eligibility status and the proposed effective date was October 1, 2023. Although the SPA has not yet been approved, DHCF has shared that they anticipate it will be in effect prior to FY 25. In sum, by the time Medicaid coverage for home visiting is effective, Alliance members who are pregnant will be eligible for CHIP coverage. In FY 25, DC's federal match rate for CHIP is 79%. Thus, extending CHIP coverage to Alliance members during pregnancy substantially reduces the local share of cost in FY2025 for Alliance members to $25,805 and for all program participants (Medicaid and Alliance) to $410,798, which is ten times less than the OCFO's estimate (see tables 2,3,4 and 6 on excel tab "Financing _ PP + MV").

B. Assuming Medicaid coverage for pregnant Alliance members is not established by January 1, 2025, the OCFO still overestimated the local cost of covering an Alliance member because once a child is born, home visiting program costs can be shifted to Medicaid (this is what Maryland does). According to Mary's Center, the average gestational age at which participants enroll for both Medicaid and Alliance families is 18 weeks or about four months, leaving a maximum of five months during which Medicaid would not be available.

C. DC also has the option to use MIECHV dollars to fund non-Medicaid eligible women during pregnancy. Under the new funding formula, MIECHV could cover 75% of the cost to cover immigrant women during pregnancy. Thus, lowering the average cost.

III. The OCFO overestimated the growth rate of programs.

The OCFO estimates that each program would grow by 50 families (40 Medicaid families and 10 Alliance families) each year. However, historically, the growth rate of programs has been much lower. For all currently eligible programs, the average growth rate for increased capacity is negative 1.30. Even factoring in Mamatoto Village and Georgetown, the average growth is only 2.7 families per year amongst all programs (please see "Average Growth Rate Tab" on Excel).

While we are hopeful that Medicaid will help increase the availability of programs, we do not believe that it will exponentially increase demand for the programs and thus increase capacity. Medicaid provides an opportunity to stabilize programs as they are.

IV. The OCFO's conclusion that 13 Home Visiting programs would be eligible for Medicaid coverage is incorrect.

Under the Home Visiting Reimbursement Act of 2023, to qualify as an eligible evidence-based home visiting program, the program must:

(1) Conforms to a home visitation model that has been in existence for at least 3 years and
(2) Is research-based and grounded in relevant empirically based knowledge;
(3) Has demonstrated program-determined outcomes;
(4) *Is associated with a national organization, institution of higher education, or other organization that has comprehensive home visitation program standards that ensure high quality service delivery and continuous program quality improvement*; and
(5) Meets the U.S. Department of Health and Human Services' criteria for evidence of effectiveness as determined by a Home Visiting Evidence of Effectiveness review or meets substantially equivalent criteria for evidence of effectiveness as determined by a credible, independent academic or research organization.

While the OCFO correctly notes there are currently 17 different home visiting programs operating in DC, the OCFO'S conclusion that 13 programs have the required certifications and would qualify for Medicaid coverage and funding using the criteria in the Home Visiting Reimbursement Act is incorrect.

Based upon our analysis, including checking the websites of the national organizations that ensure fidelity to specific home visiting models, and excluding Early Head Start and Nurturing Parent which are funded through other federal programs, we count only six programs operated by three organizations in DC that currently have the required certifications to qualify as an evidence-based program under the legislation.[3] These are:

- At Community of Hope, Parents as Teachers and Healthy Families America,
- At Mary's Center, Parents as Teachers, Healthy Families America and the Nurse Family Partnership.
- At the Family Place, HIPPY Home Visiting

As noted in the attached spreadsheet at Table 1 on the excel tab "Financing _ PP + MV", these six programs have a contracted capacity to serve 448 families, though they are currently serving less due primarily to staffing issues.

There are two additional programs that currently are undergoing the rigorous evaluation process to become certified as evidenced-based. There are: Georgetown and Mamatoto Village. It is anticipated that Georgetown will become certified as a PAT affiliate in FY2024. However,

[3] https://www.healthyfamiliesamerica.org/sites/; https://parentsasteachers.org/program-locator/; https://homvee.acf.hhs.gov/HRSA-Models-Eligible-MIECHV-Grantees#:~:text=Statutory%20requirements%20for%20an%20evidence,to%20program%20determined%20outcomes%2C%20associated; https://www.nursefamilypartnership.org/locations/district-of-columbia/; https://www.thefamilyplacedc.org/hippy-home-visiting; https://homvee.acf.hhs.gov/implementation/Nurse-Family%20Partnership%20(NFP)%C2%AE/Model%20Overview.

Mamatoto Village's evaluation, which is being conducted by an independent entity, is on-going and likely will not be completed until FY 2026. Georgetown currently has a capacity to serve 40 families, bringing the total number of contractual capacity for eligible home visiting programs to 488 families in FY2025. Mamatoto Village is currently serving 450 families, bringing the total number of families to 938 in FY2026. Note these numbers do not account for existing available federal funds which as described above removes a significant number of families accessing Medicaid dollars. (see table 1 on excel tab "Financing _ PP + MV").

Thus, accounting for existing federal dollars (MIECHV and CBCAP), we count seven programs for FY2025 with a total capacity to enroll 248 families. In FY2026, we count eight programs with a total capacity to serve 701 families (given the average growth rate, noted above, we have added 3 families to the FY2026 calculations so what is originally 698 we have added to). It is important to note that Mamatoto Village program cost is lower than the cost of HFA, PAT, and NFP. To deliver the Mothers Rising program and ensure an equitable wage for our supervisory and frontline staff, the total cost is $1.8M.[4] This comes out to total of $4,000 per family per year as compared to $7560 for the other evidence-based home visiting programs in the District. For more information on calculating Mamatoto Village inclusion in FY2026 please reference "Financing _ PP + MV" tables 3, 4, and 8.

Based on the corrected capacity, existing federal funding for home visiting, and the reduction of local funding for Alliance members, we have calculated the max local funds needed for FY2025 is $410,798.[5] For FY2026 and FY2027 calculations please see excel tab "Financing _ PP + MV" tables 2-4, 6, and 7.

Additionally, the start date of state plan amendment in the legislation, currently January 1, 2025, could be amended and postponed to lower the cost of Medicaid reimbursement in FY2025 even further. Please see tabs "7.1.25 start_Financing_PP+MV" and "4.1.25 start_Financing_PP+MV." **If amended to have the SPA by start July 1, 2025, the cost in FY2025 could be as low as $136,933.**

Please let us know if we can answer any questions or provide you with any additional information. Given the current state of maternal health in DC, we believe it is vital that the Mayor and Council identify funding to support these critical programs. Incorporating them into Medicaid also provides the opportunity to strengthen the ability of our Medicaid MCOS to reach and engage pregnant women and ultimately improve maternal health outcomes.

Finally, as you are aware, the Nurse Family Partnership (NFP) was established with the Council's support as a pilot program. NFP, as with other District home visiting programs, has seen many successes including significant increases in pregnant participants attending all recommended prenatal visits, receiving perinatal depression screenings, and no low birth weights for infants. (See Tab 3 in attached spreadsheet, "Nurse Family Partnership Data"). Unfortunately, NFP is at risk of ending. Although Mary's Center is working to secure continued philanthropic support, there is a possibility that without additional District support the program could fold in October 2024. We, therefore, hope we can work together to ensure enough funding to sustain NFP and fund Medicaid reimbursement for home visiting in the District.

We look forward to working with you and your staff to develop a more realistic estimate of the

[4] Mamatoto Village, Testimony before Committee of Health, (October 4, 2023), *available at*: https://lims.dccouncil.gov/downloads/LIMS/53251/Committee_Report/B25-0321-Committee_Report1.pdf?Id=181986.
[5] This assumes DHCF's CHIP SPA to provide prenatal care to immigrant women is approved and implemented.

fiscal impact of the Home Visiting Reimbursement Act of 2023.

Best regards,

Claudia Schlosberg, consultant for Nurse Family Partnership National Service Office
Leah Castelaz, Children's Law Center and Under 3 DC Coalition
Dara Koppelman, Executive Vice President of Health Services and Programs, Mary's Center
Felix Hernandez, Mary's Center and DC Home Visiting Council
Mary Katherine West, DC Action and DC Home Visiting Council

Copies to:

Hon. Brianne Nadeau
Hon. Vincent Gary
Hon. Charles Allen
Hon. Zachery Parker