



IPRC
International
Pediatric Rehabilitation
Collaborative

Advancing Children's Health Care: A U.S. Legislative Update

International Pediatric Rehabilitation Collaborative
Webinar
January 9, 2020



CHILDREN'S
HOSPITAL
ASSOCIATION

About Our Presenter



Jim Kaufman, PhD

Vice President of Public Policy for the
Children's Hospital Association

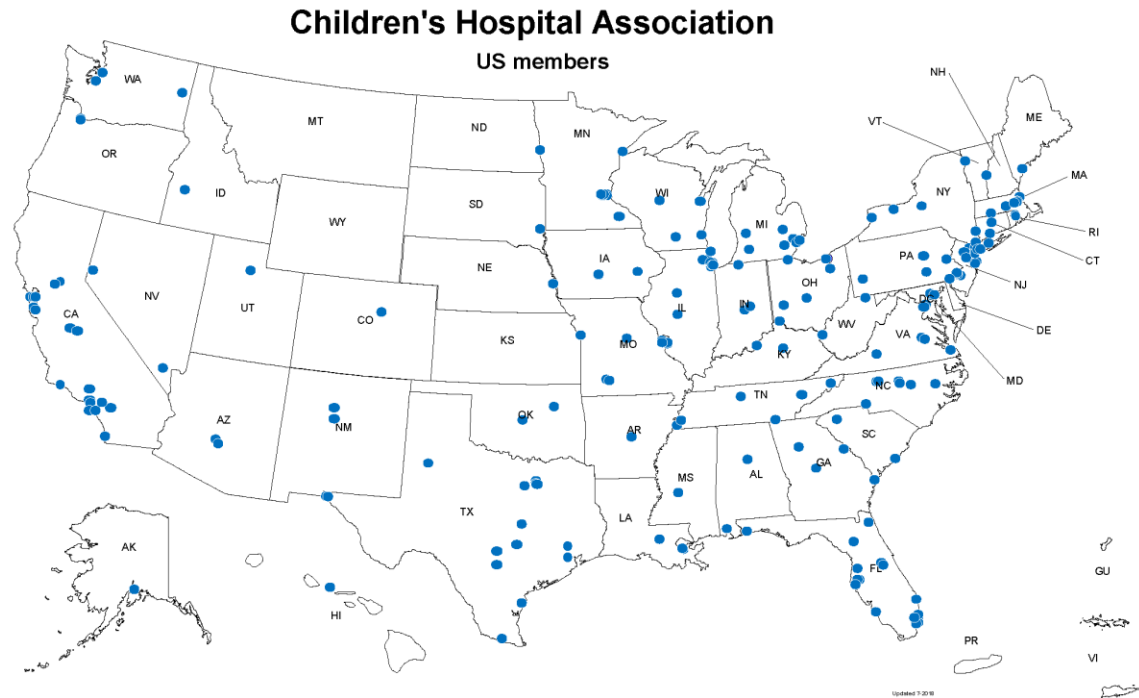
Agenda

- Policy environment
- Administrative and congressional policy actions
- How to become a champion for children's health
- Discussion

Children's Hospitals Working Together



ALL CHILDREN
need
CHILDREN'S HOSPITALS



Preliminary 2020 presidential primary schedule

- Primary for both parties
- Democratic primary
- Republican Primary

February

						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

March

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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

April

			1	2	3	4
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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

May

					1	2
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10	11	12	13	14	15	16
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31						

June

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7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

Democratic National Convention:
July 13-16

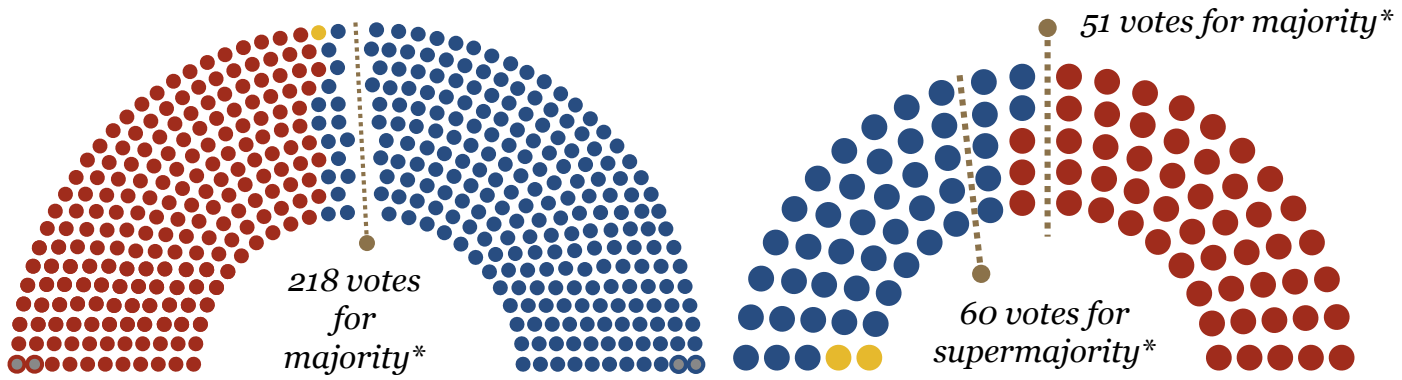
Republican National Convention:
August 24-27

By Cook's estimates, only 20% of the electorate is up for grabs



“President Trump needs to win between 2/3 and 3/4 of the 20% that are up for grabs in order to be re-elected.”

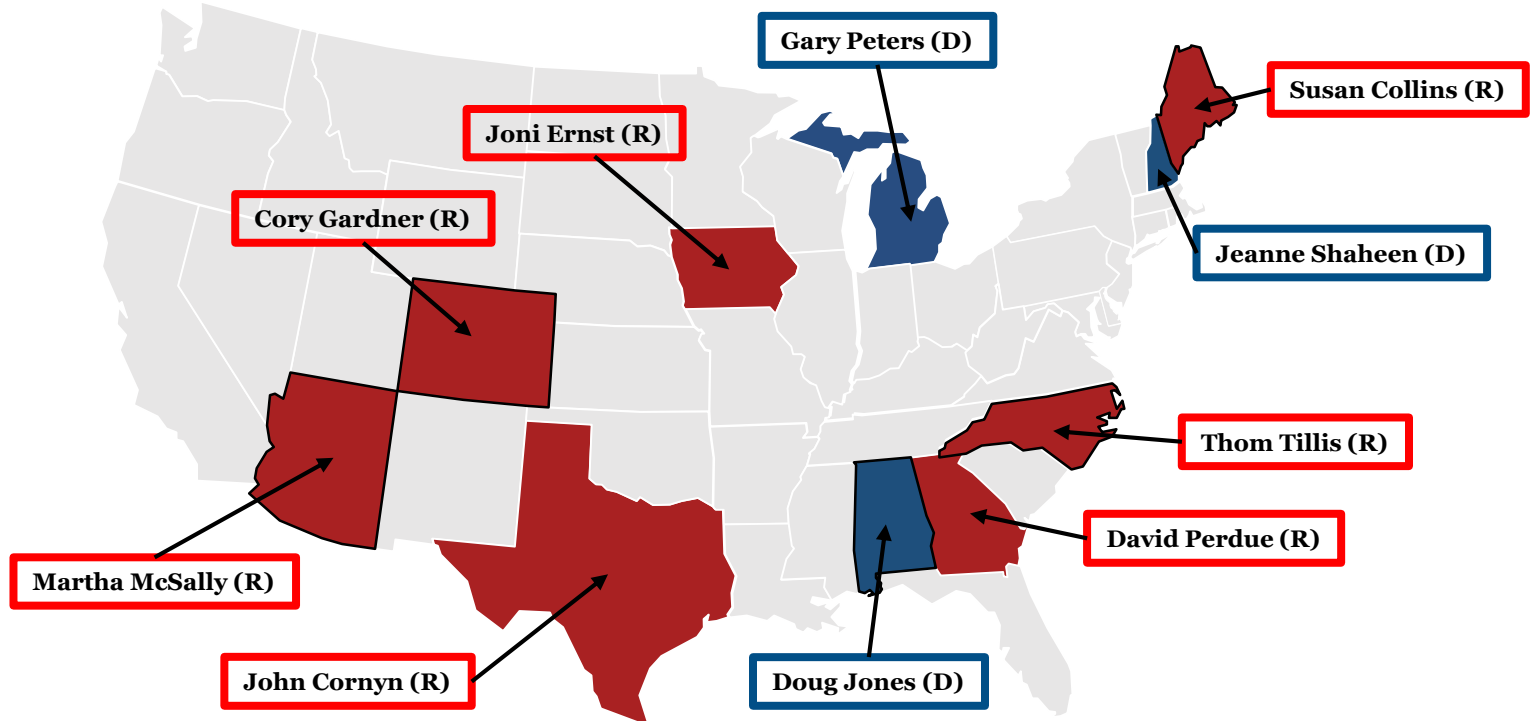
Party	House	Senate
Republican	198	53
Democrat	232	45
Independents	1	2**
Vacancies	4	0



Rep. Jeff Van Drew is included in the Republican count; he has announced he will join the Republican Party
 *If no vacancies and all members vote **The two independent senators (Sanders - VT and King - ME) caucus with the Democrats

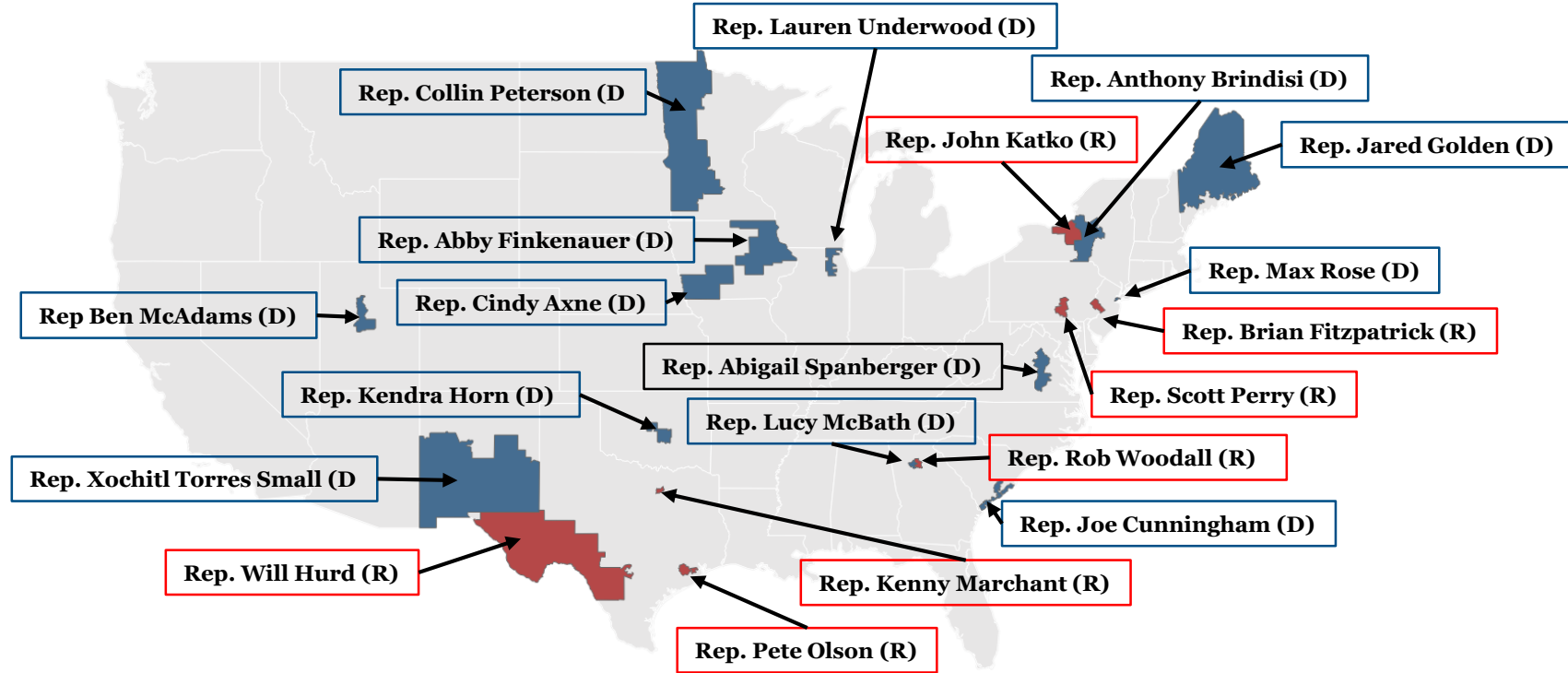
Hotline: 7 GOP-held Senate seats are in the top ten most likely to flip

■ Seat held by a Republican ■ Seat held by a Democrat



Hotline: 13 Democrat-held House seats are in the top 20 most likely to flip

■ Seat held by a Republican ■ Seat held by a Democrat



Shifting Focus of Health Policy



Health Care Reform Proposals Introduced

Medicare-X Choice (Bennet)

Medicare plan option offered through marketplaces with few options then nationwide, leaving current system intact

- Benefits: ACA benefits
- Rates: Medicare w/ rural option

Medicare for America (DeLauro)

Retains employer coverage but creates Medicare option, and adds Medicaid/CHIP to option in 2027, while TRICARE, VA, and IHS opt-out

- Benefits: EPSDT
- Rates: 110% Medicare

Medicare for All (Jayapal)

Eliminates employer/private plans, Medicaid to create single payer for all except VA and HIS with those <19 and >55 enrolled in first year

- Benefits: EPSDT
- Rates: Facilities lump sum

State Public Option (Lujan)

Allows states to offer Medicaid buy-in through exchanges, leaving private and employer plans untouched, providing 90% federal match

- Benefits: EPSDT
- Rates: Medicare

Choose Medicare (Merkley)

Medicare Part E for purchase through exchanges while retaining employer plan w/essential minimum coverage, Medicaid/CHIP unchanged

- Benefits: ACA benefits
- Rates: > Medicare

Medicare for All (Harris)

Private insurance will offer Medicare plans to compete with public option for all not covered through private plan, Medicaid/CHIP

- Benefits: EPSDT
- Rates: TBD

Medicare for All (Sanders)

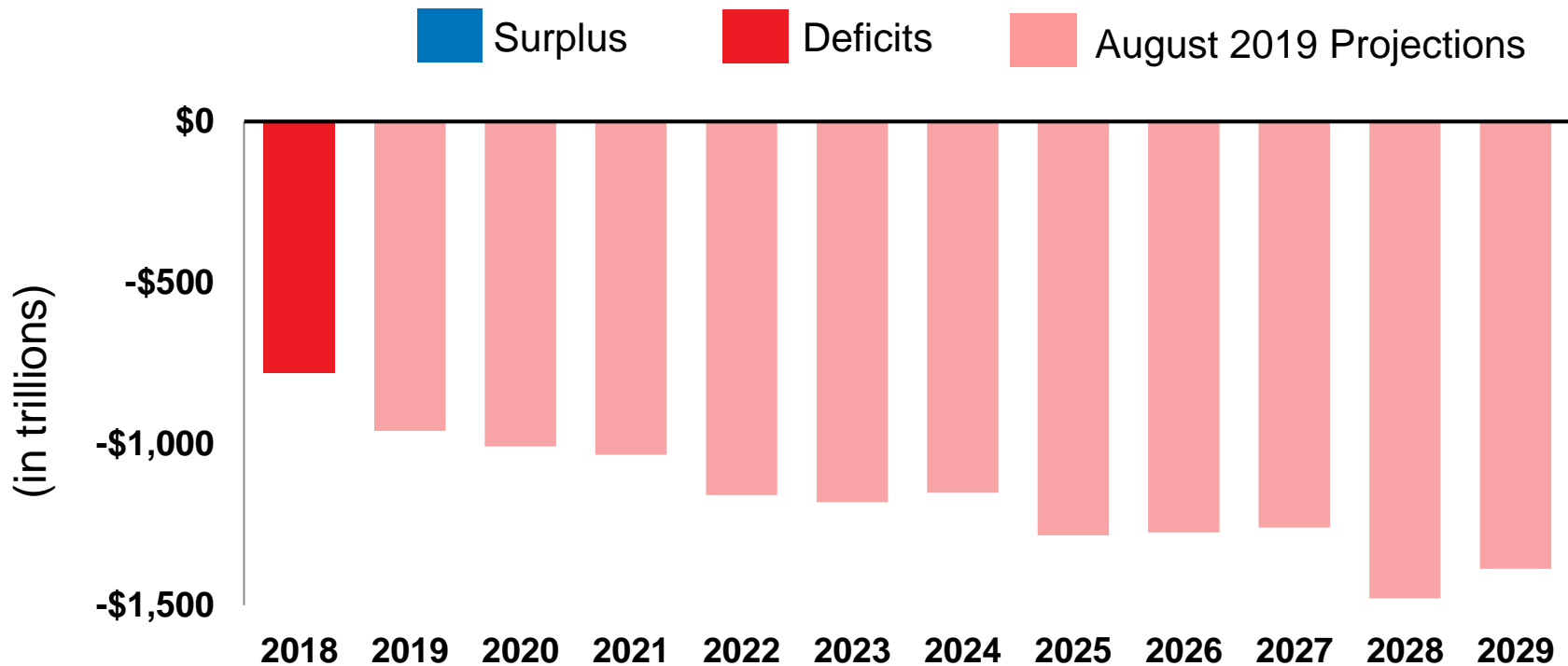
Eliminates employer/private plans, Medicaid to create single payer, children >19 automatically enrolled in first year

- Benefits: EPSDT
- Rates: Medicare

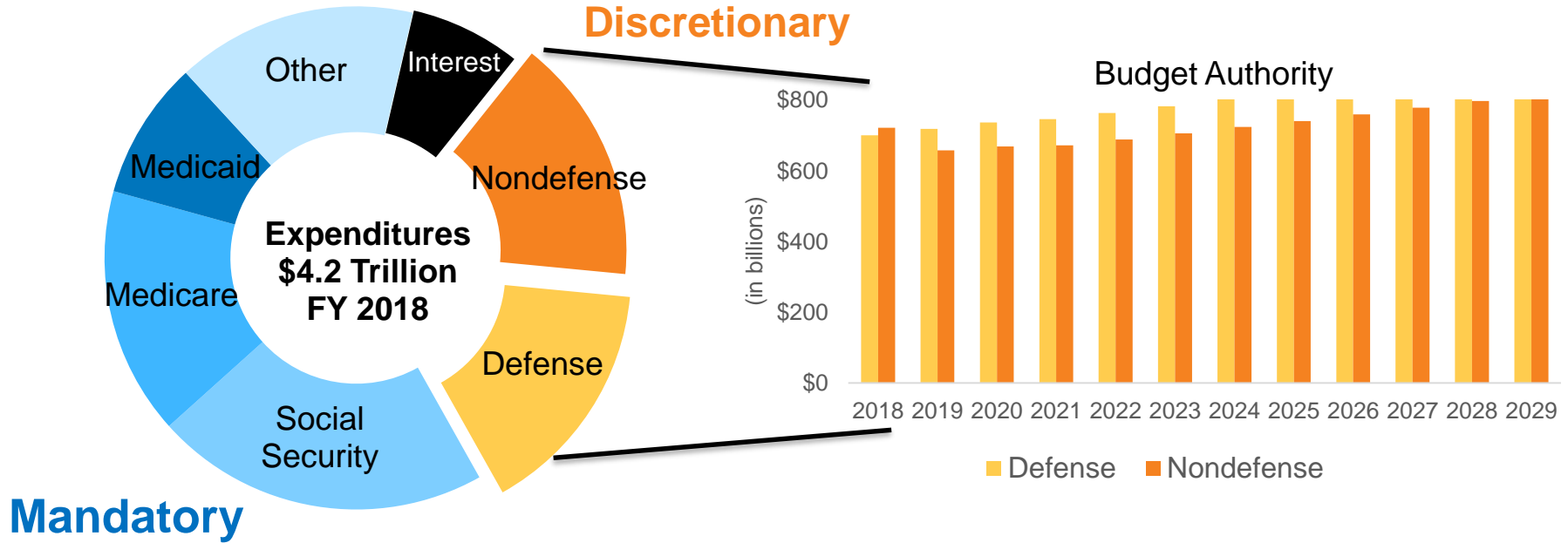
Market Model

Single Payer

Federal Budget Deficits



Budgetary Pressure on Medicaid



Shifting Focus of Health Policy

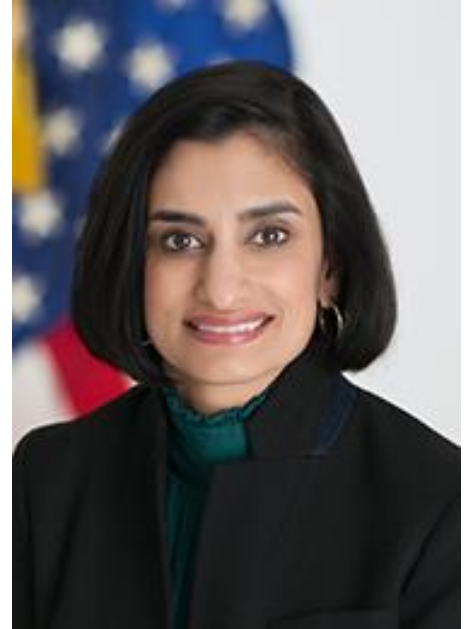


Impeachment



October 28, 2019

. . .stressed the need to minimize federal controls on health care and promised that CMS "will soon outline new opportunities for states to flip the Medicaid paradigm and free themselves from federal micromanagement."



Seema Verma
CMS, Administrator



Tennessee Block Grant Proposal

- Block grant funding with a per capita adjustment
- Excludes certain services, outpatient drugs, DSH, dually eligible, and administrative costs
- Share savings if less than projections “without waiver”
- Substantial flexibility to administer Medicaid – closed formulary, relief from managed care requirements, program design/changes without CMS approval

Hospital Price Disclosure

Rules and proposed rules that cover:

- Posting of gross charges and payer-specific rates
- Expanding definition of electronic health information including cost
- Creating a consumer display for at least 300 shoppable services
- List services usually provide together so patients see total cost
- Hospitals opposed to disclosing negotiated rates



Transparency

Spotlight on Supplemental Payments

Greater Transparency of Supplemental
Payments Needed



A Senate Finance Committee Majority Staff Report

April 30, 2019

GAO

United States Government Accountability Office
Report to Congressional Requesters

July 2019

MEDICAID

States' Use and
Distribution of
Supplemental
Payments to Hospitals

GAO-19-603

- Large and growing source of funding for hospitals serving Medicaid beneficiaries and uninsured
 - DSH: \$19.7 billion
 - Non-DSH: \$28.8 billion
- Call for more transparency/reporting
 - “...data collection systems need to evolve to capture payment information at the provider level...”

Medicaid Fiscal Accountability Rule

- Nov. 12, CMS released proposed rule with comments due Feb. 1
- Focus is payment transparency and state financing methods
- Requires provider-level reporting of base and supplementals
- Requirements on how states generate their non-federal share, including provisions affecting:
 - provider taxes
 - donations
 - intergovernmental transfers
 - certified public expenditures

Potential Agenda for 2nd Session, 116th Congress

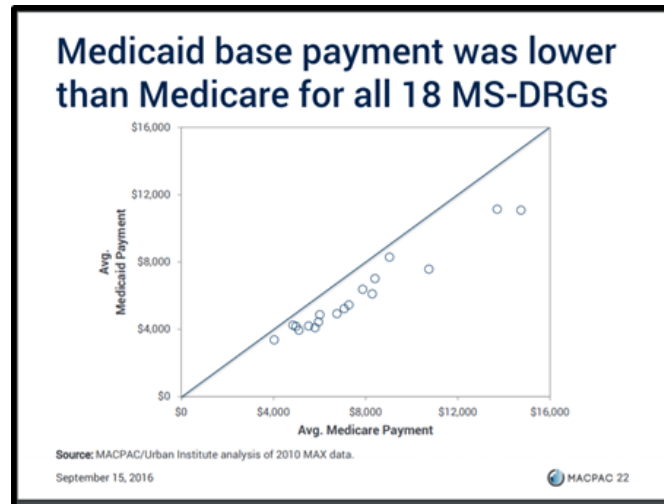
- Oversight and investigations
- Drug pricing
- Surprise billing and balance billing
- Medicaid supplemental payments



Disproportionate Share Hospital Payments

- ACA initially cut Medicaid DSH by \$18 billion FY 2014-2020
- DSH cuts delayed until FY 2020, but now total \$44 billion
- Congress delayed cuts from October 2019 to May 2020

MEDICAID DSH REDUCTIONS	
FY 2020	\$4 billion
FY 2021	\$8 billion
FY 2022	\$8 billion
FY 2023	\$8 billion
FY 2024	\$8 billion
FY 2025	\$8 billion
Total	\$44 billion



Surprise and Balance Billing

- Bipartisan appeal due to patients' stories of high costs
- Competing factions between payers and providers
- How to address?
 - Network adequacy requirement
 - Reimbursement standards for out of network providers

POLITICO

By RACHEL ROUBEIN and SUSANNAH LUTHI
12/08/2019 02:30 PM EST

**House-Senate fix could break gridlock
on 'surprise' medical bills**



**Turf war derails bipartisan push on
surprise medical bills**

BY PETER SULLIVAN - 12/13/19 04:53 PM EST

137 COMMENTS

168 SHARES

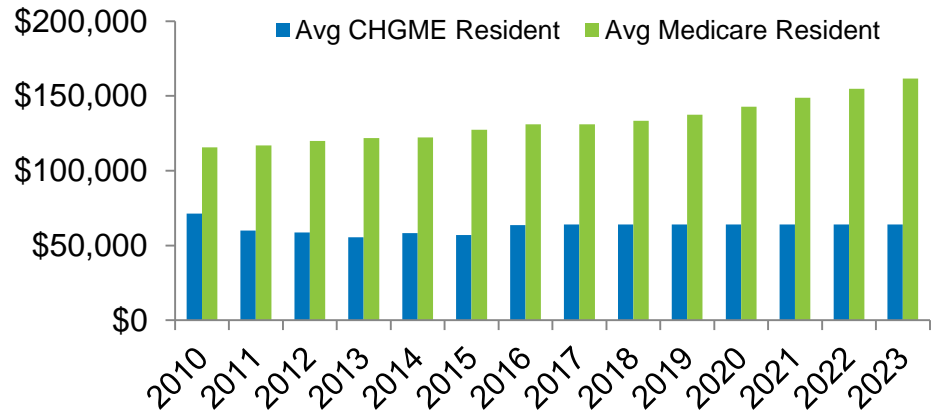
f SHARE

t TWEET



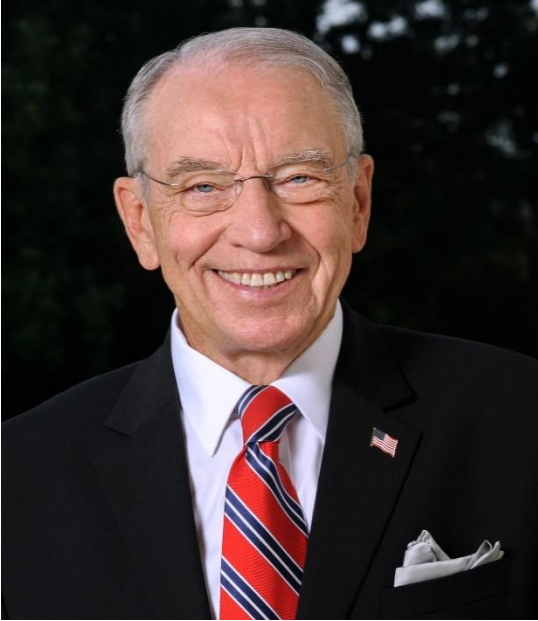
Children's Hospitals GME

- Long-term goal is parity with Medicare GME
- Funding status
 - FY 2019: \$325 million
 - FY 2020: \$340 million



Legislative Drug Pricing Packages

SENATE



HOUSE



A Reason to Celebrate

You ACED it!

BIPARTISAN ACE KIDS ACT ENACTED



Thanks to Congress for passing and President Trump signing the bipartisan Advancing Care for Exceptional Kids (ACE Kids) Act of 2019, our nation's sickest kids will have access to better care.

**CHILDREN'S HOSPITALS AND OUR PATIENT FAMILIES
THANK CONGRESS AND THE PRESIDENT FOR
PRIORITIZING CHILDREN'S HEALTH**



childrenshospitals.org

ACE Kids Act Main Provisions

- **Creates health homes option** tailored to children with medical complexity; voluntary for states, families and providers
- **Provides state incentives to participate** – enhanced federal matching funds 15% above state's current match, not to exceed 90% for two quarters for health home services; also provides planning grants
- **Requires data and quality measure reporting** for states and health homes
- **Allows new payment models** that better align payment with best outcomes
- **Includes national definition** for children with medically complex conditions

ACE Kids Key Milestones

2019

- Check in with HHS/CMS on operational process

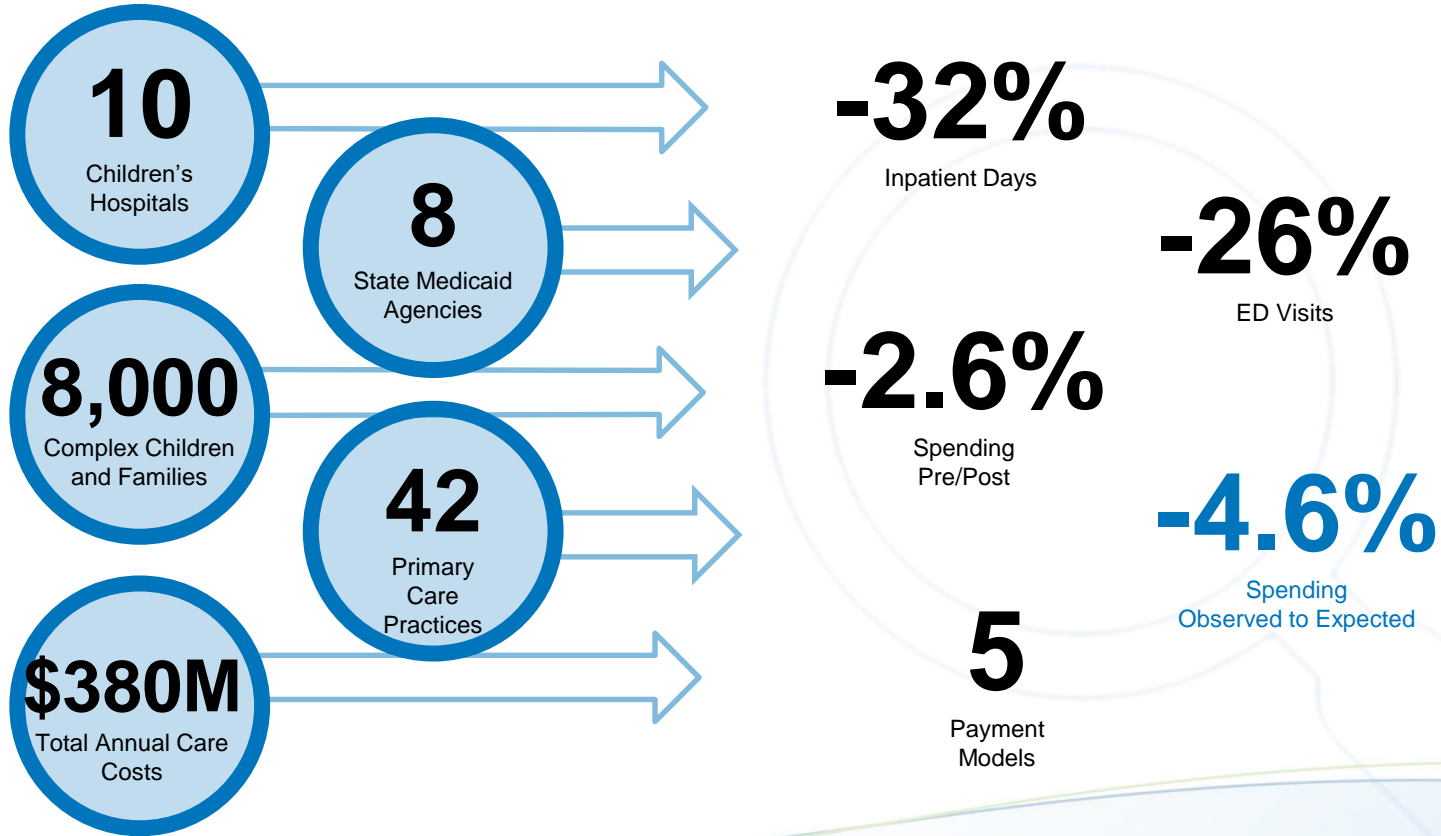
2020-2021

- Guidance on definitions, data collection, standards, best practices for out-of-state care and state plan amendment process
- Opt-in states incorporation into MCO contracts FY 2022; complete contractual and network preparatory work

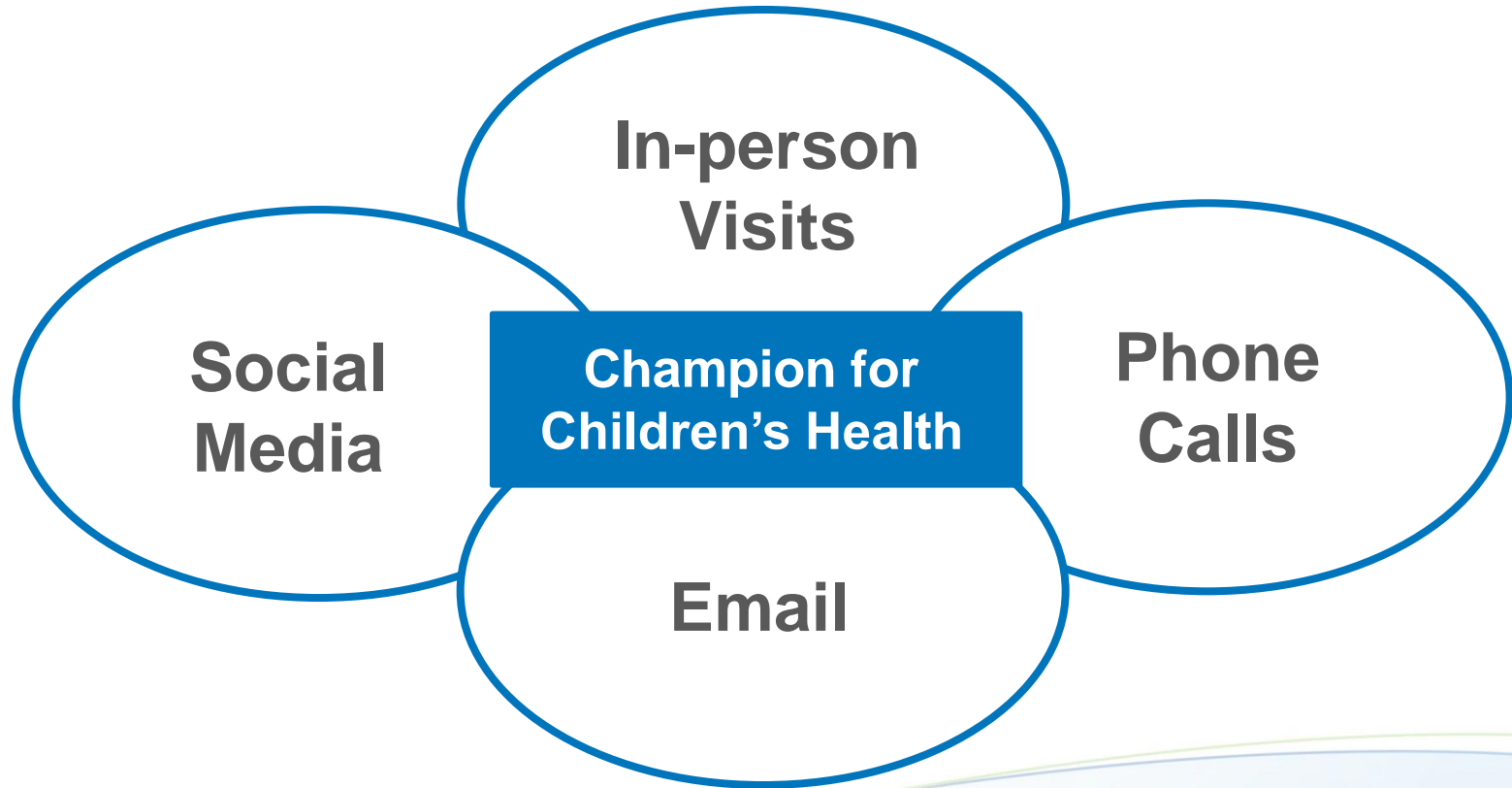
2022

- Beginning on Oct. 1, 2022, states can opt in and begin to receive planning grants

CARE Award



Advocating to Elected Officials



CAPITOL CONNECTION

'Little Lobbyist' heads to the nation's capital, advocating for pediatric research

Land O' Lakes

Parents of 2-year-old boy with developmental disorder head to Congress to advocate for health care
Family has kept jobs with National Guard to retain same health coverage

327 Shares



Updated: 7:03 PM EDT Jun 18, 2019

Tim Callery Reporter



9PF Nearby Local News Neighbor Posts Classifieds Calendar

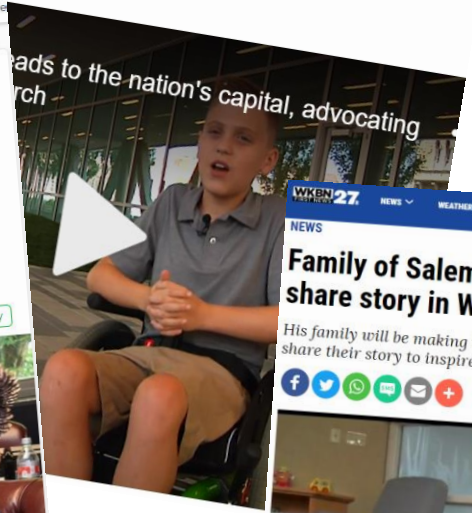
Land O' Lakes Girl With Heart Defects Tells Story To Congressmen

A Land O' Lakes girl was among children with special medical conditions who spoke to Congressmen about health care needs last week.

By D'Ann Lawrence White, Patch Staff
Jul 3, 2019 11:11 am ET

Like 26 Share

Reply



Family of Salem boy battling cancer invited to share story in Washington D.C.

His family will be making the trip to D.C. on June 24 to make a difference and share their story to inspire others

Like 26 Share

LAWMAKERS IN D.C. FUNDING



WINNING THE FIGHT

Class of 2019 Family Advocacy Day Champions



Prioritizing Our Kids

Watch this short video, then press the [Next] button below to continue.



<https://learning.childrenshospitals.org/medicaid101>

SpeakNowForKids.org



Become a Champion for Children's Health!