February 2, 2016

Secretary Rick Brajer
NC Department of Health and Human Services
2001 Mail Service Center
Raleigh, NC 27699-2001

Dear Secretary Brajer –

Thank you for the opportunity to comment on Medicaid reform implementation. Children are the majority of the Medicaid population. Reform will only be successful if it is successful for children. Our comments continue our themes of promoting child health by preserving access. We focus here more on the “nuts and bolts” of implementation of reform that works for children and the professionals who care for them. The interrelated keys to good health outcomes and access are adequate payment rates and administrative ease.

North Carolina has long enjoyed strong pediatric provider participation in Medicaid. Making participation harder with complicated rules, procedures and measures -- or rules, procedures and measures that don’t make sense for children -- will substantially reduce access in our state. Inadequate or delayed payments will also hurt access. When children don’t have access to the right care and at the right time, both their immediate health and their longer-term health trajectories can be compromised.

Two out of every five children in North Carolina rely on Medicaid or Health Choice for their insurance. When the NC Pediatric Society surveyed our members in March of 2015, we found that rate cuts already reduced access. Additional cuts would reduce access further. A quarter of pediatricians responding are limiting or no longer accepting patients with Medicaid due to recent cuts. With further reductions 10% of pediatricians would discharge current Medicaid patients, 8% would close their doors altogether and 17% retire earlier than planned. Rates paid on parity with Medicare would help assure stronger access. With increased administrative burdens, these numbers will surely increase, especially if parity is not assured.

Medicaid reform without attention to children, families and their providers will result in severely decreased access to care.

With alarm and concern, I am

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Recommendations from the NC Pediatric Society

Make the system easier for patients, families and doctors – don’t increase administrative or access barriers.

Create one set of key rules and procedures: One practice could participate in three statewide and up to two regional Prepaid Health Plans (PHP). Five different sets of criteria for credentialing, billing, grievance, core accountability measures and other logistics would create administrative barriers to practice participation. If practices opt out because of the complexity, access to health care for children will be compromised. Contracts for the PHPs must clearly specify a single set of procedures as mandated in H372 – Medicaid Transformation and Reorganization. The PHP could set the rate (subject to rate floor) or per member per month for certain procedures or populations, but DHHS would continue to determine if the procedure was appropriate to pay or if the population was appropriately defined. Preserve current access by assuring the system is as simple and uniform as possible.

Rate floors for preventative and primary care should match Medicare: Primary and preventive care is critical to promote health and reduce cost. To assure adequate access, simplify payment and support long-term integration of health services, DHHS must establish rate floors for preventative and primary care equal to Medicare. Other elements of the payment structure – such as the per member per month and inclusion of current codes, such as dental varnish, must be considered. While physicians who treat adults may have around 5% of their patients as Medicaid eligible, for pediatric practices it is often 20% - 80% Medicaid and Health Choice patients. A mis-step in designing the program could put many pediatric practices at risk of closing their doors.

Transparent Data: Practices must have access to their own data and the same data used to determine payments.

Build on the success of medical homes and provider-led initiatives.

 Preserve and support independent practices: Many communities have only one or two pediatric providers. It is critical to keep those practices viable and in their communities. Policies that preserve practices and promote access include unified credentialing and grievance policies. Policies that create financial or administrative barriers include requiring one specific Electronic Health Record or reporting of different and numerous requirements to different PHPs. Again, administrative ease and adequate payment levels are critical to assuring that these practices keep their doors open and can serve all children in the community.

Improve and promote the health of children and youth with special health care needs

 Maintain care management: North Carolina is a national leader in the pediatric medical home model. Child health has improved through provider collaboration with Community Care of NC (CCNC). Care management and informatics are essential to the health of our patients, especially child and youth with special health care needs.

 Assure network specialists are willing and able to treat children birth through age 21: Network adequacy standards must look at factors such as there a pediatric cardiologist who accepts new patients birth through age 18 – not merely is there a cardiologist in a certain mile radius.

Metrics and outcomes for pediatric care must reflect pediatric conditions and promote pediatric medical homes

 Children are not just little adults: The metrics used for diabetes management, tobacco screening or other conditions do result in improved outcomes for the patient and reduced costs to the system. These measures quickly demonstrate improved quality and decrease costs in adults. For children, quality care may not result in quick savings. Vaccines prevent debilitating illnesses for a lifetime but show little return on investment in a single year. Well-child visits assure timely diagnosis and treatment and promote healthy lifestyles that result in less obesity and tobacco use in the decades to come. Metrics must measure best practices in preventive care.

 Timely assignment to medical homes is important: Assuring that the entire system works well together to assure that children remain in their medical home or are assigned in such a way to promote medical homes is important. For example, families should receive Medicaid cards timely (less than a month or more quickly), be allowed to stay with their practice if the PHP changes, etc.