



American Academy of Pediatrics



TESTIMONY

of the

AMERICAN ACADEMY OF PEDIATRICS

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Medicaid Commission

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The American Academy of Pediatrics (AAP) is an organization of 60,000 primary care pediatricians, pediatric medical subspecialists, and pediatric surgical specialists, who are deeply committed to protecting the health of infants, children, adolescents, and young adults in the United States. Our testimony at today's meeting of the Medicaid Commission will focus on children, and the benefits of preventive care provided by a medical home and through the EPSDT program.

The Medical Home

The notion of a medical home has been promoted by a number of medical disciplines including pediatrics, family practice, and internal medicine. The concept has been in the forefront of pediatrics and the American Academy of Pediatrics has a policy strongly endorsing a medical home. A medical home is not a building, but is defined as primary health care that is accessible, continuous, comprehensive, family-centered, coordinated, compassionate, and culturally effective. In a medical home, the clinician works in partnership with the patient and family to assure that all medical and non-medical needs of the patient are met. A medical home is critical to efficient and effective care. The medical home serves to coordinate specialty care, educational services, out-of-home care, family support, and other public and private community services that are important to the overall health of the individual. Accessibility to a medical home is critical for children.

Care provided through emergency departments, walk-in clinics, and other urgent-care facilities, though sometimes necessary, is more costly and often less effective. By reducing the inappropriate over-utilization of these care settings for the provision of primary care, including chronic disease management and episodic treatment regimens, medical homes provide improved health outcomes at reduced cost. The Academy commends the medical home model to the Commission as a solution to improving care quality at reasonable cost under Medicaid.

EPSDT

Preventive health care services provide the greatest health benefit at the lowest cost. In the case of children, much of the care under Medicaid is preventive. One program that provides excellent preventive services for the taxpayer dollar is the Early and Periodic Screening, Diagnostic and Treatment program (EPSDT). EPSDT enables assessments of children's health needs through initial and periodic examinations and evaluations, so that health problems are diagnosed and treated early, before they become more complex and treatment more costly. Including the treatment component of EPSDT, the program costs around \$1,300 per child, while all pediatric care in the Medicaid system costs about \$1,700 per child. This compares with the more than \$10,000 cost per capita for other Medicaid recipients. A broader examination of Medicaid costs for children shows that even including all the services covered by EPSDT (many of which are not typically covered by private insurance), Medicaid still costs less per child on average than private insurance. Please consider recommending that the EPSDT program be wholly maintained in any recommendations that you make. Remember, many of the antecedents of adult disease, such as osteoporosis and diabetes, begin in childhood.

Prevention Generally

Beyond pediatrics, all Medicaid recipients can benefit from the cost savings that quality preventive care provides. Collaborative partnerships, featuring medical homes, access to

pharmaceuticals, assistance in navigating the health care system, education on illnesses and increased health care literacy, an emphasis on prevention and continuity of care, hold significant potential to encourage the appropriate use of care and improve the health of Medicaid beneficiaries, while at the same time lowering Medicaid's costs. Public health programs can decrease the long-term need for high cost services through early clinical intervention, delaying and even preventing the onset of chronic disease among the populace.

Early detection is critical for decreasing the morbidity and mortality associated with many chronic diseases. Periodic preventive care examinations provided in a medical home will encourage the continuity of treatment essential to early detection efforts. The Medicaid population thrives in an environment that emphasizes continuity of care and appropriate use of services. The best delivery model provides a platform where acute care services incorporate prevention and wellness services and ultimately establish ongoing mechanisms for improving and sustaining health status.

Conclusion

In closing, I will note that the Academy is a member of the Partnership for Medicaid, a national coalition of organizations representing the nation's safety net providers and health plans. Members of the Partnership devote patient care to individuals who are uninsured or rely on public assistance to pay for their health care. In many ways, the Partnership agrees with the statements that I have made today. I commend the document produced by the Partnership, which the Academy has endorsed. Please focus your attention on its section on prevention. This section includes recommendations on innovative ideas, such as patient navigators and ways to increase health literacy, as you turn your attention to these important issues.

Thank you very much for the opportunity to share the thoughts of the American Academy of Pediatrics.