



**Statement of Voices for America's Children Concerning
the Long-Term Sustainability of Medicaid**

United States Department of Health and Human Services
Medicaid Commission

July 11, 2006

Governors Sundquist and King, and all members of the Medicaid Commission, thank you for allowing me to provide input to your deliberations concerning the long term solvency of Medicaid. I am Liz Meitner, Vice-President of Government Affairs & Policy at *Voices for America's Children*.

For the past twenty years, *Voices*, with its members across the country, has remained a non-partisan, national organization committed to speaking out for the well-being of *all* children at *all* levels of government.

I would like to begin by thanking the Commission for keeping Medicaid targeted case management services available to children in foster care in your short term Medicaid recommendations to Congress released last year. This action acknowledges that these services are directly linked to better outcomes for the abused and neglected children that need foster care each year.

As the Commission now tackles the future of Medicaid, *Voices* would like you to keep the needs of children at the forefront. Services provided by Medicaid, along with, the State Children's Health Insurance Program, (SCHIP), are essential lifelines for children with no other means of obtaining necessary health care services. Today, with over 10 percent of the country's 73 million children lacking any form of health coverage, your actions and recommendations will have significant consequences for children now and in the future.

We ask Members of the Commission to remember that as you address Medicaid's fiscal solvency, that children are not causing the financial growth in Medicaid. As of fiscal year 2003, children comprised almost half of the total Medicaid enrollment, but accounted for less than 20% of total expenditures. As a result of such low expenditures, per-capita costs for children are the lowest of all groups eligible for Medicaid.

We ask that any recommendations you make to Congress and the Administration include assurances that Medicaid will remain a federally guaranteed entitlement program for those low income children, youth and families who qualify. This is especially important as recent federal and state budget actions have threatened the availability of Medicaid services which children rely on for addressing their health and mental health care needs.

As earlier witnesses to the commission have testified, Medicaid services provided through such programs as EPSDT are critical components in establishing our nation's preventive health care policy and should be maintained and enhanced.

Medicaid is also an essential tool for meeting the mental health needs of children. We agree with the recommendation from the President's New Freedom Commission on Mental Health, that every child should have the opportunity for early mental health detection and available services. The ability to identify and address, mental health concerns at an early age, greatly increases the ability for optimal growth and development of the child. These services are especially important to children who have been abused and neglected. Research has clearly shown that 80% of child abuse or neglect victims experience some type of mental illness or trauma. This rate is four times that of the general population. Any changes that could result in a reduced rate of mental health care services for children should be rejected.

States also need to do their part in better addressing the needs of children by electing to provide children the "optional" Medicaid services including speech, hearing, physical therapies, dental care

and eyeglasses. State should also extend Medicaid services to eligible populations such as the youth who age out of the foster care system at age 18 and are on their own.

Voices also asks you to carefully evaluate any proposal that further mandates mandatory co-payments for Medicaid eligible populations including children. Co-pays, while possibly attractive as a cost saving measure, restrict children's ability to receive basic health care services. Studies show that when low income parents have to pay even small amounts for doctor visits or treatment, children miss out on care they need almost half the time.

In focusing on Medicaid fiscal issues, I urge you to remember that providing Medicaid services to children is cost effective. Research shows that children with health insurance experience improved development and health compared to those who remain uninsured. Such improvements drastically reduce the need for complex and expensive medical interventions, resulting in lower health care costs overall.

As you move forward with your discussions, we ask that you keep in mind the impact that your decisions will have children, the services they receive and the health of our future generation.

Thank you for your time and your consideration on this matter.



FOR AMERICA'S CHILDREN

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