New York State Joint Legislative Health/Medicaid Committee Hearing
Testimony Submitted by the NYS American Academy of Pediatrics

Jeff Kaczorowski, MD, FAAP, NYS Chair

The NYS American Academy of Pediatrics (NYS AAP), District II, comprised of Chapters 1, 2, & 3, is an organization dedicated to the physical, mental, and social health and wellbeing of all infants, toddlers, children, and adolescents. We appreciate the efforts of our Senate and Assembly Leaders, Health Department and Medicaid to achieve 0 to 6 continuous coverage for all children on Medicaid and Child Health Plus this year and to ensure that children and women/birthing people are included in the Medicaid 1115 Waiver now underway.

But all is not well for our children and families. Children are the poorest and most diverse part of our population in NYS and suffer tremendous health disparities that impact lifelong health. 50% of children in NY are on Medicaid. That percentage is even higher for young children. This makes Medicaid THE most important support for the pediatric system of care statewide. Very importantly, **pediatric primary care** is the **only** system that all of our children are guaranteed to interact with prior to entering school. It is the only place where we know we can have impact on children's many needs. Yet the pediatric system of care is floundering. In the past year alone 4 pediatric practices in upstate NY have closed leaving children and families without access to care. And yet Medicaid pays at roughly what 80% of Medicare does, as decided by our State. Pediatricians are generally driven to their field by a deep desire to help kids, yet many are struggling to provide care. They want to provide the best quality care but struggle to afford paying for Patient Centered Medical Home (PCMH) designation and the extra work involved in documentation and reporting when they are barely just keeping their doors open. Access and quality of service through pediatric primary care are under real threat in the only system that is assured for young children—*we need change, and we need it now before we lose the opportunity to achieve critical health outcomes we all want for the Medicaid 1115 Waiver, for our children, and for long term health.*

We request this Budget strengthen pediatric primary care payment, including:

1) ***Pediatric Technical Assistance Center (TA Center)*** **$750,000.** A Pediatric TA Center could serve an important role in supporting the pediatric practices, both independent and those that are part of Article 28s. A Pediatric TA Center could support pediatric offices in the following ways: Help them apply and maintain PCMH designation This would include the application and practice transformation.

2 Answer and problem solve PCMH billing challenges.
2 Support navigating challenges with managed care plans.
2 Provide educational webinars on state initiatives.
2 Support transition to VBP/APM

2) ***Advance PCMH enhanced rates***: Pediatric offices that are not designated as PCMH are losing an important opportunity to leverage the enhanced payment and will be less well positioned to transition to VBP/APM as the NYHER waiver envisions. We recommend that the State advance an enhanced rate to practices who can show they are making progress to secure PCMH designation. These practices would be eligible for an enhanced rate of $6 PMPM for up to two (2) years while they seek PCMH designation.

3) Support continuity of care/complex care: Increasingly pediatricians need to take more time to fully address the needs of their pediatric patients and their families. Some of this is related to the social care stressors and barriers families, especially those covered by Medicaid face. CPT G2211 allows primary care providers to receive reimbursement for the continuity of care they provide to patients. It can be used at most E/M visits, except well child care visits. Adding this code to the NYS Medicaid fee schedule would result in a 12-15% increase in payment for many visits (not child well visits).

4) ***Dedicate 12.5% of the MCO tax to primary care****:* As part of last year's budget, the state authorized the NYS Department of Health to request permission from CMS to tax the Managed Care Organizations to help drive resources into the health system. The state should ensure 12.5% of this tax is dedicated to supporting primary care. Strengthening our primary care system is an integral part of the state's efforts to improve health equity, reduce disparities. The World Health Organization (WHO) recommends primary care spending should account for 12-12.5% of health spending. Routinely using this benchmark will increase NYS' dedication to supporting primary care and allow primary care to advance the health and wellness of our communities.

In addition to pediatric primary care and its impact on young children, **Regional Perinatal Centers (RPCs)** play a critical role in our State. As you know, we have terrible disparities in maternal mortality and morbidity and infant mortality in NY. These are driven by issues of health equity and regional variations in care. Regional Perinatal Centers were developed precisely to address these issues. Recently the Department of Health has proposed increasing the responsibilities of these centers, increasing their work to decrease maternal mortality, and increasing the frequency of educational programming to each member hospital. Yet the 17 regional perinatal centers *have* ***not received ANY funding increase in more than 15 years*** **event to do the work they are doing.** They are scrambling to find a way to cope with the increased burdens, reduced real-dollar-value funding while still aiming to provide the highest level of care for mothers and babies in the state.

Many of the RPCs have had difficulty retaining staff, who are trained biomedical data analysts and nursing staff. This is especially true since clinical nurses have seen 20% pay increases since the pandemic. One center has replaced their administrative nursing staff in their regional center 3 times in 5 years. Each time, the nurses left for more lucrative clinical care, often in the SAME exact hospital in which the Regional Center is located. Another center had 5 data staff members in 10 years. Each of these turnovers in staff incur additional Regional Perinatal Center costs and remove time the centers could be further collaborating with network hospitals.

We request a 40% = $3.6 Million increase in funding for Regional Perinatal Centers that is essential to ensure over 200,000 babies in New York State have access to adequately trained neonatal care no matter where in the state they are born. The 17 Regional Perinatal Centers will use these funds to:

- Conduct outreach to community hospital centers in their regions.
- Provide simulated medical education so nurses and physicians who do not frequently encounter premature infants are comfortable with their stabilization during the key first moments of life.
- Review policies at each facility to ensure they are consistent with current medical practice.
- Provide medical advice/consultation 24/7 to any obstetric or pediatrician in the region.
- Review all cases transferred to higher levels of neonatal/obstetric care with referring facilities.
- Assist with quality improvement programs.
- Report data outcomes on birth to the department of health.

A third priority for the NYS AAP is to **Increase Enrollment in the Women's Infant and Children (WIC) nutrition program:** The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) is an essential program ensuring the pregnant people and their young children have access to critical nutrition and supports. It has been proven to reduce maternal morbidity and infant mortality. But unfortunately, it is reaching less than 2/3rds of the eligible population. **NYS AAP urges the Legislature to support the Governor's proposal to expand the reach of the program, including Governor Hochul's proposal to match data between WIC and the Supplemental Nutrition Assistance Program (SNAP) to ensure families who are eligible for both programs are enrolled for both programs**. In the future, given 0 to 6 years continuous coverage for children on Medicaid and postpartum people on Medicaid for 12 months, we would like to see consideration of matching and enrollment of pregnant Medicaid recipients on WIC and continuation through the postpartum period as well as enrollment of the child at birth and continuation for their eligible time on WIC up to 5 years.

Early Intervention (EI) received a 5% increase in the previous State budget, *but it has not been enacted*. Early Intervention remains unable to serve all children with developmental delays. There are literally thousands of young infants and children under the age of 3 waiting for evaluation much less any services across NY State at time when we know brain growth is greatest and deficits can be remediated. In fact, NYS is last in the country for timeliness of services. Pediatricians receive no benefit from early intervention services, but we are incredibly concerned because deficits that are not helped for our young children may never be corrected. *This is a New York State tragedy: one of suffering and lost potential*. And yet we could take steps to fix it today:

Please we ask:

Increase Early Intervention rates 5% rate: Last year's budget included a 5% rate increase but to just keep pace with preschool special education increases. Without this increase, EI will continue to lose therapists to other systems of care that can pay more. But more worrisome is that this lost time cannot be made up. The best time to intervene and ensure children reach their full potential is under the age of three. This can be paid for by increasing the covered lives assessment.

Increase the Core Evaluation Rate: Most states pay 2-3x more than NYS does for the core evaluation by a team to determine eligibility. We recommend increasing this rate by 50% from the current range across the state of ($355-$493) to ($530-$740) to ensure that limited provider capacity does not impact children's ability to be promptly evaluated for the program.

Add EI providers to state loan forgiveness (A1974): The State recognizes the value of offering loan forgiveness programs for health care providers willing to serve the Medicaid population. We recommend adding EI therapists to the list of professionals eligible for loan forgiveness, providing that they work for 3 years serving a population of children of whom over 40% are on Medicaid.

Implement an EI reform study (A283/S1222): The current EI system is failing to serve all infants and toddlers with disabilities that qualify for the program. The program has remained largely unchanged since it started over 30 years ago and needs reform. The budget should include language and $1 M in funding to direct the NYS Department of Health take a comprehensive review of the program and make recommendations for reform the program so it can be sustainable and meet the needs of infants and toddlers with developmental delays and disabilities and their families. *Please note, the AAP is willing to help in this study by engaging our national research office to ask other states to share their EI successes and models.*

Lastly, we ask for support for a powerful initiative that reduces developmental delays and improves school outcomes: Reach Out and Read. Reach Out and Read (ROR) is a nonprofit early literacy program that integrates books into pediatric care, focusing on children from birth to age five, particularly in low-income communities. The program equips families and medical providers to nurture children's early language and literacy skills, not only improving literacy outcomes but also increasing doctors visit adherence and immunization rates. Reach Out and Read was a NYS First 1000 Days Department of Health pilot and exists in some communities through philanthropic funding. It is a superb complement to Dolly Parton Imagination Library and reaches children who are not reached by Dolly Parton through the pediatrician's office. When the 2 programs reach families together, they work in synergy to promote even better developmental outcomes for children. ROR leverages the trusted relationship between families and clinicians to promote reading and early childhood development. The recent policy statement from the American Academy of Pediatrics (AAP) reaffirms that literacy promotion is a critical component of pediatric care, emphasizing that reading from infancy stimulates brain development, builds strong parent-child bonds, and fosters language skills.

We are requesting $3 million dollars that will allow ROR to serve 95 waitlisted pediatric clinics across NY State at $20 per child per year. (Pediatricians do not receive financial benefit: money is for books and the program.)