



California Children's Hospital Association Requests a "No" Vote on the Senate Better Care Reconciliation Act

On June 22, 2017, Senate Republican's released their proposal, the "Better Care Reconciliation Act," (BCRA) to repeal and replace the Affordable Care Act (ACA). While much of the debate on the bill is focused on the Medicaid expansion for adults and changes to the insurance markets, the bill would have a devastating impact on children. Among the most disturbing provisions in the Senate bill are:

A cap on federal Medicaid funding for children. This cap would ratchet down the amount of federal funding available to support children's health care – abrogating a 50-year state-federal partnership that has served to support the sickest and neediest children in our communities. While the bill exempts about 1.6 million disabled children, it would still cap federal support for about 30 million children, many of whom have chronic and debilitating conditions like asthma and autism, at a level that falls short of what will be necessary to cover their care. In fact, over time, the compounding effect of the cap is so punishing that the program's basic benefit design could not possibly be sustained. States like California that already have lean, efficient, Medicaid programs will be forced to cut services to, or cut children from, the program.

It is important to note in this respect that cuts to Medicaid don't just harm low-income children. Because of the expertise involved and the relative uniqueness of so many pediatric health care conditions, children with life-threatening, complex conditions rely on the same pediatric specialists, regardless of how their medical care is funded. The stability of the regionalized network of pediatric experts depends on both public and private payers. In other words, cuts to Medicaid don't just harm children in the Medicaid program. They harm access to care for all children with complex medical needs.

Children account for the largest share of the Medicaid program -- almost half of all of the people in Medicaid. Yet they are the least expensive population to cover, accounting for less than 20 percent of total Medicaid costs. Moreover, research is clear that children who are covered by Medicaid have better health outcomes and miss school less often than children who have no access to health care. Slashing federal Medicaid support for children isn't just cruel, it's short-sighted.

State waivers that permit insurers to drop coverage for services, reinstate annual and lifetime benefit limits, and exclude pediatric specialists. CCHA is also concerned about provisions in the bill that would enable states to obtain waivers of the Affordable Care Act's consumer protections. These sorts of waivers discourage insurers from providing meaningful coverage for children with chronic or catastrophic health care needs. Insurance that doesn't cover prescription drugs is meaningless for a child with cystic fibrosis. An insurance policy with a million dollar lifetime limit is inadequate for a child with a congenital heart abnormality. And an HMO that doesn't include any pediatric oncologists isn't going to meet the needs of a child with cancer. These kinds of gaps in coverage are devastating to families – leading to delays and obstacles in obtaining needed treatment and saddling families with unconscionable amounts of debt.

CCHA believes that the Better Care Reconciliation Act is a disaster for America's children. We cannot support it and we are asking all Senators to vote no.