



## Principles for Health Reform: Meeting Children's Unique Needs

### **Vision**

*All children should have health insurance that is both affordable for their families and ensures that they have access to the medically necessary care they need. Providing children with affordable access to a high quality health care system dedicated to effective and efficient care, positive outcomes and the promotion of healthy lives will require both health insurance coverage and system reform.*

Children's National Medical Center is committed to providing the highest quality care to all children in our region regardless of insurance status or ability to pay. But studies show children with health coverage have improved access to a regular source of care and higher rates of preventive services. In fact, uninsured children are three times more likely not to visit a doctor's office in the course of a year than are insured children.<sup>1</sup>

Children's National recognizes the importance of comprehensive and affordable health insurance for all children and adults. As a hospital devoted to children's health care, Children's National offers the following principles for children's coverage:

- 1. Cover All Children.** All children should have comprehensive health coverage from birth through age 21. Covering all children through a mix of publicly-subsidized and private health insurance is an attainable first step toward coverage for all and is a cornerstone for lifelong health. Federal policies ranging from public insurance programs to tax policies should be designed to achieve this goal.
  - 2. Provide Affordable, Comprehensive Coverage.** Children's coverage should be affordable and comprehensive and reflect their health and development needs. Coverage for children should provide a standard benefit floor that covers medically necessary care, including chronic illnesses and a greater focus on health promotion. It should also reflect the unique health care needs of children, who are growing and developing. Policies should also be explored to strengthen and grow the health care workforce. Health coverage means little if there aren't enough physicians, nurses and allied health professionals to provide the care.
  - 3. Simplify Eligibility and Enrollment.** Federal policies should move toward uniform eligibility levels for guaranteed, publicly subsidized children's coverage. Federal standards should ensure simple eligibility determinations based on income, not assets, as
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well as a streamlined enrollment processes. Uniform eligibility processes and forms should assure that children do not lose coverage if their families move across state lines.

**4. Establish Payment Policies that Improve Access.** Payment should be sufficient to guarantee access to appropriate care for children in preventive, acute and chronic care settings. Public health coverage program payments should be sufficient to cover reasonable and customary charges so that pediatric providers are not forced to make the business decisions of continuing to treat patients at a financial loss. Payment rates should ensure that patients are not forced to seek emergency room care that is significantly more expensive because there are no providers willing to see them.

**5. Allow Portability and Eliminate Gaps in Coverage.** Children's coverage should be continuous and portable. Public and private coverage should work collaboratively to ensure that children always have coverage. Families should be able to use public subsidies to purchase employer-sponsored insurance (ESI) for their children. Families above the eligibility level for public subsidies without access to ESI should be allowed to buy into a publicly administered program.

**6. Maintain the Private Market.** A national commitment to employer-sponsored insurance and a health care market place with multiple payers should be maintained. Reform should maximize choice of coverage and providers, as well as minimize "crowd-out" of privately financed insurance. Universal coverage for children should include a commitment to employer-sponsored insurance, as well as a market place with multiple payers where health plans and providers compete on the quality and delivery of the services they provide.

**7. Make Health System Reform a Priority.** Ensuring access to both affordable coverage and care will require system reform. A high performance health care system should be capable of integrating services and aligning payment incentives to recognize the delivery of high quality care to improve health outcomes and control costs. For children, this requires investment in quality measures, model health information technology systems such as a national pediatric electronic health record, and innovations in the delivery of care.

**8. Make Prevention a Priority.** According to the Centers for Disease Control and Prevention (CDC), chronic diseases are responsible for seven out of every 10 deaths in the United States -- taking the lives of more than 1.7 million Americans every year. Chronic diseases are also the primary driver of health care costs, accounting for more than 75 percent of the more than \$2 trillion dollars spent each year on health care in the United States. Health care reform should focus on developing new approaches based on proven methods to change behavior, slow the rise in chronic disease, emphasize and provide access to preventative care, and deliver better care coordination.

**9. Establish Federal Leadership.** The federal government must play a leading role in health care reform for children. Universal coverage for children and system reforms to improve the delivery, quality and integration of their health care cannot be achieved on a state-by-state basis. They will require stronger federal standards and improvements on Medicaid and the Children's Health Insurance Program (CHIP). Although Medicaid and

CHIP currently provide a source of insurance for millions of children nationwide, many million more still do not have access. Universal access for all children should be the goal, and this goal will only be attained with federal leadership.