



March 24, 2014

The Honorable Kathleen Sebelius
Secretary of the U.S. Department of Health and Human Services
200 Independence Avenue S.W.
Washington, D.C., 20201

Dear Madam Secretary:

As members of the State Policy Advocacy and Reform Center (SPARC), a coalition of organizations committed to improving the safety, health and well-being of children and families involved in the child welfare system, we appreciate the opportunity to comment on the *Healthy Pennsylvania* Section 1115 waiver application.

Our organizations fully support the aspects of the *Healthy Pennsylvania* proposal that affirm Pennsylvania's commitment to ensuring access to coverage for all children who are eligible for Medicaid. However, we have serious concerns with the provisions of the proposal that relate to former foster youth.

Specifically, we urge the Secretary to deny Pennsylvania's request to waive section 1902(a)(10)(A)(i)(IX) of Title XIX of the Social Security Act "To permit the State to require work search activities and premium payment for non-exempt former foster care participants 21 years of age or older but under 26 years of age." Conditioning receipt of Medicaid coverage on compliance with job search and premium payments is not only counter to current law and regulations, but would place an enormous burden on Pennsylvania's most vulnerable youth and would lead directly to the loss of coverage for a large proportion of these high-need young adults.

In a March 5th letter, Governor Corbett offered to modify the work search requirements and to create an alternate voluntary work training pilot program. While it is encouraging to see that the Governor has backed down from his original proposal to tie work search requirements to Medicaid eligibility, his modified proposal does not go far enough. Medicaid is not a job training program and any attempts to tie eligibility for this health program to work requirements or incentives or any other type of related initiative should not be approved at any point in the five-year demonstration. If approved, HHS would be sending a message that it will entertain state attempts to link Medicaid to job training and employment and would pave a slippery slope for states attempting to restrict program eligibility.

Pennsylvania's proposal to impose premiums and tie the program to job training for former foster youth contradicts legislative intent, which is to afford parity to and provide health coverage for former foster youth, as provided to their peers who have not been removed

from their families. Additionally, coverage for former foster youth is a new mandatory Medicaid coverage category. The Medicaid Act does not permit states to impose work search requirements, and mandatory coverage categories are typically exempt from premiums entirely particularly with regard to youth. Lastly, a waiver must further the goals and objectives of the Medicaid Act and demonstrate innovation. Pennsylvania's proposal to impose premiums and work requirements fails to comply with this waiver condition and should be denied for these reasons and those set forth below.

Beyond the legal ramifications of what Pennsylvania is proposing to do are the practical implications of such policies on this vulnerable population. As you know, foster youth are an unfortunately unique population who have been abused or neglected and who often have a range of unique physical and mental health needs, physical disabilities and developmental delays, far greater than other high-risk populations. Children in foster care are more likely than other children on Medicaid to experience emotional and psychological disorders and have more chronic medical problems. In fact, studies suggest that nearly 60 percent of children in foster care experience a chronic medical condition, and one-quarter suffer from three or more chronic health conditions.¹² Roughly 35 percent have significant oral health problems.³ In addition, nearly 70 percent of children in foster care exhibit moderate to severe mental health problems,⁴ and 40 percent to 60 percent are diagnosed with at least one psychiatric disorder.⁵

Medicaid is an essential resource for children in foster care, providing critical care, services, and supports, and helping them heal and move forward on the path to recovery. Sadly, the majority of youth in foster care receiving health care through Medicaid lose this coverage once they age out of care, or soon after. Additionally, youth who age out of foster care are less likely to receive an adequate education or college preparation, less likely to have stable employment and report lower earnings than their peers.

Recognizing the importance of health care coverage for youth who age-out, Congress specifically provided Medicaid coverage for them in the Affordable Care Act (ACA). This provision equalizes insurance coverage among young adults, placing youth aging out of foster care on par with their peers who are able to stay on their parents' insurance until age 26. This provision enables former foster youth to use this time in their lives similarly to that of their peers outside of "the system"-- exploring educational and professional opportunities, many of which do not often come with insurance coverage.

Therefore, we respectfully request that you deny these elements of the Pennsylvania proposal and in doing so, send a clear message to all states that premiums, work requirements or voluntary job training, and other attempts to place additional eligibility restrictions on the new mandatory category of former foster youth will not be approved.

¹ Simms, M.D., Dubowitz, H., & Szailagyi, M.A. (2000). Needs of children in the foster care system. *Pediatrics*, 106 (Supplement), 909-918.

² L.K. Leslie, M.S. Hurlburt, J. Landsverk, K. Kelleher et al. "Comprehensive Assessments of Children Entering Foster Care: A National Perspective." *Pediatrics*, July 2003.

³ Healthy Foster Children America (2010). "Dental and Oral Health." Available at http://www.aap.org/fostercare/dental_health.html.

⁴ Kavalier, F. and Swire, M.R. (1983). *Foster Child Health Care*. Lexington, MA: Lexington Books; 1983.

⁵ dosReis, S., Zito, J.M., Safer, D.J., & Soeken, K.L. (2001). Mental health services for foster care and disabled youth. *American Journal of Public Health*, 91, 1094-1099.

As always, we appreciate the time and effort the Centers for Medicare and Medicaid services dedicates to reviewing and responding to comments related to health coverage for children and families. Please do not hesitate to contact SPARC with questions or needed clarification on these comments. Thank you for reviewing and considering our comments and recommendations.

Sincerely,

Advocates for Children and Youth (Maryland)

Advocates for Children of New Jersey

Arkansas Advocates for Children and Families

Children First for Oregon

Children Now (California)

Children's Action Alliance (Arizona)

Citizens' Committee for Children of New York, Inc.

Connecticut Voices for Children

First Focus Campaign for Children

Florida's Children First, Inc.

Florida Legal Services, Inc.

Juvenile Law Center (Pennsylvania)

Kentucky Youth Advocates

Massachusetts Law Reform Institute

Michigan's Children

Nebraska Appleseed Center for Law in the Public Interest

North American Council on Adoptable Children (NACAC)

Pennsylvania Partnerships for Children

Public Policy Center of Mississippi

Schuyler Center for Analysis and Advocacy (New York)

Texans Care for Children

The Massachusetts Law Reform Institute

The National Center for Youth Law (California)

Voices for Children in Nebraska

Voices for Virginia's Children

Youth Law Center (California)