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September 2, 2021

The Honorable Charles Schumer  
Majority Leader  
United States Senate  
Washington, DC 20510

The Honorable Nancy Pelosi  
Speaker  
United States House of Representatives  
Washington, DC 20515

Dear Leader Schumer and Speaker Pelosi:

Thank you for all you are doing to address our country's current challenges and support our emergence from the pandemic. The pandemic and the current surge are having a unique and significant negative impact on children, and we ask for your immediate help.

Children's hospitals are a keystone of the pediatric health care safety net. They account for just a small fraction of American hospitals, but provide almost all specialized care for children. Across the country, these facilities are currently experiencing a surge in caseloads, straining pediatric care capacity, due to a confluence of factors:

- A significant increase in the number of COVID-19 cases in children in recent weeks.
- An ongoing national children's mental health crisis that has intensified in the last year.
- An atypical summer onset of RSV (respiratory syncytial virus) cycle with rising infection rates and severity expected through the fall.

As the House and Senate prepare to consider "human infrastructure" legislation through the budget reconciliation process this fall, we urge lawmakers include investments to address the urgent needs of children. As part of this reconciliation legislation, children's hospitals ask Congress to:

- **Take action to improve children's access to mental health services and build national capacity to address mental health throughout children's development.**
- **Provide dedicated funding to support national investments in strengthening pediatric preparedness, including increasing critical care capacity, strengthening the pediatric workforce, and supporting telehealth technology and cybersecurity.**

## Improving Pediatric Mental Health

American children are experiencing a significant mental health crisis, made worse by the stressors of the pandemic. Demand for pediatric inpatient mental health services and other levels of crisis care has risen significantly. Mental health cases overall (Emergency Department, Inpatient and Observation; age 3-17) are at their highest levels in recent years, and since the beginning of the pandemic, are representing a larger proportion of all cases: 33.2% higher in the first two quarters of 2021 than in the same time period of 2016, 14.5% higher than in 2019, and 40.3% higher than in 2020. Suicide and self-injury cases specifically (ages 5-17) in the first two quarters of 2021 are 103.8% higher than they were in the same time period of 2016, 43.1% higher than in 2019, and 65.8% higher than in 2020. Many children are left boarding in emergency departments awaiting space to become available in appropriate pediatric mental health care settings. There are children's hospitals who have had 20-40 children in their emergency departments waiting for mental health care.

*Champions for Children's Health*

Our nation's pediatric mental health infrastructure is fragmented and has not received adequate support for decades. Studies show the limitations of the current system are affecting all children, particularly Black and Hispanic children often facing inequitable access and continuity of care issues. Insufficient capacity exists to provide the care access needed at the provider level or support more effective integration of services across the continuum.

Children's hospitals have developed a set of policy proposals, "[Strengthening Kids' Mental Health Now](#)," to address gaps in our nation's mental health infrastructure for children in ways that work best based on their unique needs. We urge Congress to enact these policies and recommend that the House and Senate incorporate key pieces of this proposal in reconciliation, including:

- **Strengthen mental health investments in Medicaid** – The Medicaid program is the backbone of coverage for children in the U.S. and the single largest payer for mental health services. Sustainable reimbursement that supports Medicaid providers is needed to enhance children's access to the full continuum of care. We recommend strengthening federal support for pediatric mental health care services by increasing Medicaid reimbursement rates for pediatric mental, emotional and behavioral health services to Medicare levels or increasing FMAP for pediatric mental, emotional and behavioral health services to 100%.
- **Support the creation of new pediatric mental health care capacity** – It is vital children receive the level of care needed in the appropriate care setting. Congress should provide funding for desperately needed new sites of care to improve access to mental health services, including inpatient beds, but also step-down, partial hospitalization and day programs that bridge between inpatient and traditional outpatient or community-based settings. These types of programs ensure that children and adolescents continue to receive the intensive services and supports they need, while alleviating pressure on acute care settings. Currently, access to these services, particularly for children covered by Medicaid, is a major challenge. Bipartisan legislation introduced in the House, [H.R. 4943, the Children's Mental Health Infrastructure Act of 2021](#), would provide \$2 billion annually over five years for grants to children's hospitals and other providers to increase their capacity to provide pediatric mental health services through constructing and modernizing sites of care, as well as enhancements to digital infrastructure. Investments like these will prevent children in crisis from boarding in emergency departments and enable their swift placement in appropriate care. Funding can also support costs associated with reallocating existing resources, including converting current general beds to accommodate mental health patients, and offsetting the costs to refurbish psychiatric facilities to align with the most up-to-date safety standards and meet the unique needs of children and adolescents.
- **Improve systems of care through better coordination and integration** – As with any health care service, a one-size-fits-all approach will not work to improve children's mental health outcomes. Congress should provide funding to expand timely access to mental health services for children and adolescents at the right level and in the appropriate setting. [H.R. 4944, the Helping Kids Cope Act of 2021](#), additional legislation introduced in the House on a bipartisan basis, would provide \$500 million annually in new funding under the oversight of the Health Resources and Services Administration (HRSA) to support grants to pediatricians, children's hospitals and other providers for a range of child and adolescent-centered, community-based prevention and treatment services. This funding can support a broad range of activities including:
  - Community health workers or navigators to coordinate family access and pediatric practice integration.
  - Funding to support telehealth treatment and pediatric training for crisis responders.
  - Mental health urgent care and community-based initiatives such as school-based partnerships.
  - Initiatives to decompress emergency departments, including partial hospitalization, step-down residency programs and intensive outpatient programs.

- **Pediatric mental health workforce support** – Shortages in the mental health workforce are persistent, more severe within pediatric specialties and projected to increase over time. Congress should provide dedicated funding to support training and other workforce innovations at children’s hospitals, pediatric delivery settings and other settings in multiple disciplines related to pediatric mental health. H.R. 4944 would also provide \$100 million annually for five years through HRSA to support pediatric mental health workforce training and development across the care continuum and provides grant funding to bolster community-based mental health services. Funding could support training and workforce initiatives in disciplines such as: pediatric and family counselors, pediatric social workers and care coordinators, child and adolescent psychiatrists, psychiatric nurses, adolescent psychologists, advanced pediatric practice nurses and physician assistants, as well as support for the continuing education of pediatricians and teachers.
- **Extend and enhance telehealth flexibilities** – During the pandemic, telehealth emerged as a transformational method of health care delivery and a vital tool to increase patient access to needed services. Mental health care visits account for a large percentage of overall telehealth visits at children’s hospitals, up to half of all telehealth visits at some hospitals. Congress should enact permanent extensions of Medicare COVID-19 telehealth flexibilities, including those relating to audio-only services, and lift originating site restrictions and geographic limitations. Changes made in the Medicare program may drive adoption of coverage policies by Medicaid and commercial payers that have an impact on the pediatric population. Additionally, we support bipartisan legislation that would further seek to promote access to telehealth, including:
  - [S. 1798/H.R. 1397, the Telehealth Improvement for Kids’ Essential Services \(TIKES\) Act](#), which would require CMS to issue guidance to states on ways to increase access to telehealth and MACPAC to study the impact of telehealth on health care access, utilization, costs and outcomes.
  - [S. 168/H.R. 708, the Temporary Reciprocity to Ensure Access to Treatment \(TREAT\) Act](#), which temporarily authorizes the interstate provision of in-person and telehealth services.

## Enhancing Pediatric Care Capacity

Investments are needed in strengthening pediatric care capacity, or we will emerge from the pandemic with a weakened and less capable health care system for our nation’s children. Compared to the broader hospital sector, [children’s hospitals suffered greater negative financial impact](#) as a result of the pandemic, impacting their ability to make essential improvements supporting pediatric capacity, resiliency and preparedness. The safety net that has been built over decades of dedicated work has suffered significant damage, threatening health outcomes for millions of children and families, and presenting national risk for any public health emergency or unanticipated crisis.

- We ask that in reconciliation legislation Congress provide dedicated support for national pediatric preparedness response. [H.R. 5131, the Pediatric Access to Critical Health Care \(PATCH\) Act](#) would provide \$6 billion over ten years to support national pediatric preparedness response investments, including adding more flexible critical care capacity, strengthening the workforce, and telehealth technology and cybersecurity, particularly for high Medicaid providers serving child populations with the greatest health disparities.
- For pediatric hospital critical care beds, support and technology with tele-medicine outreach to underserved areas, the national averages for fully allocated project-build costs are \$2-3 million per bed. Hospital construction costs are double these levels in the highest cost locations like California and New York. Providing dedicated funding to bolster capacity—combined with matching requirements supporting accountability and contributions from the private sector to double the impact of the federal investments—would enable the replacement or addition of up to 4,000 beds across the country.

- New investment can also help alleviate emerging pediatric workforce issues. Children's hospitals' professional staff require additional specialized training to care for infants and young children, where equipment, drug dosing, procedural preparation and patient/family communications are all very different from the care of adult patients. Pediatric-trained staff are costlier as a result. The combined COVID-19 and behavioral health pandemic has increased work stress and "burn out," which were already major challenges to recruitment and retention. Children's hospitals are reporting shortages that are exacerbating capacity constraints.
- Lastly, the pandemic emergency has highlighted the importance of strong digital health infrastructure, including access to adequate, affordable broadband connectivity, as well as support for telehealth infrastructure. Ongoing cyber threats highlight the critical need to build strong defenses to protect the privacy and safety of patients and their health information as well. We urge funding be made available for hospital digital infrastructure as these investments will be critical to maintaining access to high quality, safe and equitable health care.

Our children need urgent support to ensure their best futures and we ask you to prioritize them in budget reconciliation. Thank you for your consideration of these requests, and we look forward to working together on behalf of our children.

Very best regards,



Mark Wietecha  
Chief Executive Officer  
Children's Hospital Association

CC: President Biden  
Secretary Becerra  
Chairman Wyden  
Chairman Murray  
Chairman Leahy  
Chairman Pallone  
Chairman Neal  
Chairman DeLauro  
Chairman Scott