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February 26, 2021

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

Dear Leader Schumer and Leader McConnell:

On behalf of children's hospitals and the patients, families, and communities we serve, we applaud ongoing congressional efforts to respond to the COVID-19 public health emergency. The current bill being considered by Congress, "The American Rescue Plan Act of 2021", includes numerous public health provisions we believe will benefit children and families during this crisis. We support the commitment of resources to scale up testing and stop the spread of COVID-19, including the investment in a national vaccine program and the call to expand FMAP to 100% for the administration of vaccines, expanding access to affordable childcare and expanding the Child Tax Credit, and to subsidize continuation of health coverage (COBRA). We urge lawmakers to further strengthen the current legislation to address the unique impact of the pandemic on children's health, including sustaining the pediatric safety net infrastructure to meet the needs of children now and in the future and addressing the crisis in pediatric mental, emotional, and behavioral (MEB) health.

Specifically, we recommend that Congress:

- Include additional provider relief funding to deliver vital support for children's hospitals and other high Medicaid providers;
- Strengthen children's access to mental, emotional and behavioral (MEB) care and treatment under Medicaid;
- Include additional funding and legislative direction targeting the needs of children for provisions included in the American Rescue Plan Act supporting MEB health;
- Advance workforce initiatives to support training and staffing to support children's health.

Include additional provider relief funding that supports children's health and pediatric providers

As the COVID-19 pandemic impact tears away at children's health, the financial damage stemming from the pandemic threatens the essential role children's hospitals play in the future of our country. The COVID-19 relief allocations from the Provider Relief Fund (PRF) provided to date have mitigated some of the negative impact, but continued relief is needed for many hospitals. We urge Congress to provide additional provider relief funding to offset the growing cumulative damage of COVID-19 on children's hospitals and pediatricians and protect their ability to serve children and families. We also

recommend Congress include clear legislative intent specifying the importance of funding high Medicaid providers, including children's hospitals and other providers caring for children. Establishing this congressional intent is essential to ensuring that the pediatric health care infrastructure remains viable during and after this pandemic.

Strengthen children's access to MEB treatment through Medicaid

Even before the pandemic, our nation's children faced a severe pediatric mental, emotional, and behavioral (MEB) health crisis. COVID-19 has introduced additional and dramatic stress for children and families, exacerbating this crisis. We urge Congress provide additional support through the Medicaid program to enhance access to pediatric mental and behavioral health services. We recommend providing an overall increase to the Federal Medicaid Assistance Percentage (FMAP) to mitigate pressure on state Medicaid programs to cut provider payments, which would hurt children and threaten the sustainability of the health care workforce during the public health and economic crises. Congress previously enacted a temporary 6.2% increase to the FMAP and given the scope of the challenges facing the health care system, we support a temporary increase of at least another 5.8% in each state's FMAP, resulting in a cumulative increase of 12%.

We also urge Congress to enact targeted Medicaid policies to provide critical support for a pediatric MEB care system that is under-resourced and uniquely strained to meet the needs of America's children, specifically:

- Providing a FMAP increase for pediatric MEB services;
- Enacting an increase to provider payment rates for pediatric behavioral health services akin to Section 1202 of the Affordable Care Act, which created a time-limited add-on for primary care services;
- Enacting an increased FMAP for pediatric tele-behavioral health services to 100% of Medicare rates.

Strengthen Mental, Emotional, and Behavioral (MEB) Provisions for Greater Impact on Kids

The "American Rescue Plan Act of 2021" includes investments to expand access to behavioral health services. To address the needs of a pediatric MEB care system that remains desperately under-resourced, we urge Congress provide additional funding for key programs and clear intent prioritizing the health needs of children. We recommend the following specific refinements to the current legislation:

• Sec. 3057 – Community-Based Funding for Local Behavioral Health Needs - This provision includes \$50 million for SAMHSA to award grants to state, local, tribal, and territorial governments, tribal organizations, nonprofit community-based entities, and primary and behavioral health organizations to address increased community behavioral health needs worsened by the COVID-19 public health emergency. We support the inclusion of this funding, which would provide flexibility to support a range of community-based activities addressing the MEB needs of children. However, additional funding is required to maximize the benefit for children. We urge increasing funding for this section to \$500 million and including language identifying children as a priority population

to be served by this program. Additionally, we recommend adding language explicitly clarifying children's hospital eligibility (e.g., "nonprofit community-based entities including hospitals").

- Sec. 3059B Funding for Behavioral Health Workforce Education and Training (BHWET) This provision includes an additional \$100 million in FY 21 funding for this program which supports increasing the supply of behavioral health professionals, with a special focus on children, adolescents, and transitional-aged youth at risk for behavioral health disorders. We support this funding as this program supports graduate training in a range of disciplines vital to the MEB needs of children, including: mental health in psychiatry, psychology, school psychology, behavioral pediatrics, school social work, school counseling, and professional counseling. We believe that additional investment is warranted given the scope of current and future pediatric MEB needs and urge increasing additional funding for the program by \$200 million.
- Sec. 3104 Enhanced Federal Medicaid Support for Bundled Community-Based Mobile Crisis Intervention Services This section would provide incentives for states to cover mobile crisis intervention services for individuals experiencing a mental health or substance use disorder crisis. We recommend adding language to this section to explicitly require states that want to access the enhanced matching funds to demonstrate how children in crisis will be served and how their unique needs will be addressed by the mobile intervention crisis services.
- Sec. 3051. Funding for Block Grants for Community Mental Health Services This section would appropriate \$1.75 billion under SAMHSA for block grants to states and territories for Community Mental Health Services targeting adults and children with serious mental illness or emotional disturbances. We urge Congress to add language directing SAMHSA to require states to prioritize increasing access to services for children with these additional funds.
- Pediatric Mental Health Care Access Program While not currently included in the American Rescue Plan Act, we also urge inclusion of an additional \$16 million to expand the Pediatric Mental Health Care Access Program at the Health Resources and Services Administration (HRSA). Currently, this program is funded in 21 states but the tremendous toll the pandemic is having on child and adolescent mental health necessitates urgent action by Congress to expand successful models for increasing access to mental health services for children.

Advance workforce initiatives to support training and staffing for children's health care needs

We believe there are additional opportunities related to the health care workforce that will help address children's health care. Notably, Sec. 3021 of the current bill would provide \$7.6 billion to expand and sustain a public health workforce to work in their local communities to perform vital tasks like contact tracing, community health workers, disease intervention specialists and other tasks. **Congress should direct that a portion of these new workers be focused on outreach serving children.**

As the academic hubs of pediatric training and research, children's hospitals advance the health and well-being of every child in their community and in the nation. As children's hospitals suffer significant financial

damages from the pandemic, the future of the pediatric workforce pipeline is at risk, particularly with respect to MEB providers, where crippling shortages already exist. The Children's Hospital Graduate Medical Education (CHGME) program is the most important federal investment in training the next generation of pediatric providers. CHGME is currently underfunded at half of the level provided by the Medicare GME program on a per-resident level. As a result, every CHGME training slot represents added financial stress on children's hospitals at a time when the need for a strong pediatric workforce has never been greater, particularly with respect to MEB. Congress can support expanded MEB pediatric training by increasing CHGME program support of children's MEB trainees to 100% of comparable Medicare GME per-resident support. This would protect access to care for children and families.

Thank you for your consideration of these requests, and we look forward to working together to ensure a better future for all children.

Very best regards,

Mark Wietecha

Chief Executive Officer

Children's Hospital Association

CC: Speaker Pelosi

Minority Leader McCarthy

Chairman Wyden

Ranking Member Crapo

Chairman Murray

Ranking Member Burr

Chairman Leahy

Ranking Member Shelby

Chairman Pallone

Ranking Member McMorris Rodgers

Chairman Neal

Ranking Member Brady

Chairman Scott

Ranking Member Foxx

Chairman DeLauro

Ranking Member Granger