

June 21, 2017

The Honorable Robert Casey, Jr.  
United State Senate  
393 Russell Senate Office Building  
Washington, DC 201510



The Honorable Pat Toomey  
United States Senate  
248 Russell Senate Building  
Washington, DC 20510

Dear Senators Casey and Toomey:

As representatives of the Pennsylvania's hospital community, we have previously expressed our concerns with elements of the House-passed American Health Care Act (AHCA), particularly the potential loss of health care insurance coverage for many of the 1.1 million Pennsylvanians who obtained such coverage under the Affordable Care Act.



At times in the past few months, the impact of the AHCA on our nation's children has sometimes been lost in the debate over issues such as Medicaid expansion for able-bodied adults. Accordingly, we are writing today to express our strongly held view that any health care reform legislation considered in the Senate should hold harmless children covered by the Medicaid program. While we recognize the need to get our nation's fiscal house in order, Congress and the Administration should not accomplish that goal on the backs of our children, who are understandably unable to speak for themselves in the legislative process at the federal or state levels of government.



Under the House-passed AHCA, states could eliminate Medicaid's core benefit for children, EPSDT (Early and Periodic Screening, Diagnostic, and Treatment), which ensures kids receive the medical services they need and has effectively reduced health problems and associated costs for children covered by Medicaid. The AHCA could also eliminate cost-sharing protections for children, essentially creating new barriers to care for low-income, working families. In addition, while it is recognized that states will have flexibility to expend funds in eligibility categories that fall below the per capita spending cap on a yearly basis, there are no guarantees that such funding will be available.





At least one recent study of the potential impact of the per capita cap model found in the House-passed AHCA bill shows that federal funding for traditional children (children who access Medicaid due to family income level and instead of disability status) would be reduced by a cumulative \$43 billion over 10 years with reductions in spending becoming more dramatic each year. While additional analysis of this study is pending, in Pennsylvania, according to this study, cumulative reductions in federal funding for traditional children from 2020 to 2026 would total \$1.54 billion. While some savings that can be derived through continued innovation in the provision of medical care, reductions of more than \$1.5 billion over this period can only occur by eliminating services and benefits.

Our nation benefits economically when children grow into healthy adults. Today, 95 percent of U.S. children are insured, including nearly 35 million kids through Medicaid and 8.9 million through CHIP. In Pennsylvania alone, there are 175,000 children who are enrolled in Pennsylvania's CHIP program. In addition, recent data from the Kaiser Family Foundation show that Pennsylvania has more children who qualify for Medicaid enrollment due to their disability status than another state in the nation.

Sustaining health care coverage for children would be impossible if the House-passed AHCA bill would be enacted because it reduce federal spending on Medicaid by \$834 billion over 10 years.

As you tackle health reform with your Senate colleagues, we continue to recommend that you ensure that Americans will not lose health coverage as a result of health care reform and in particular that you will protect Pennsylvania's children in this process. We urge you to hold Pennsylvania's children harmless and to protect coverage for Pennsylvania's most vulnerable citizens.

Respectfully,

Children's Hospital of Philadelphia  
Children's Hospital of Pittsburgh of UPMC  
Janet Weis Children's Hospital, Geisinger Medical Center  
Lehigh Valley Children's Hospital  
Penn State Children's Hospital  
St. Christopher's Hospital for Children  
The Hospital and Healthsystem Association of Pennsylvania