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Testimony of

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STATEMENT OF JOAN C. ALKER, M.Phil

My name is Joan Alker, and I am the Executive Director of the Georgetown University Center for Children and Families and an Associate Research Professor at Georgetown's McCourt School of Public Policy[1]. In my work at Georgetown University I have studied the Medicaid program for many years with a particular focus on children. I have also done considerable work on Medicaid Section 1115 waivers – a topic that I had the opportunity to testify about in front of the Health Subcommittee last year. Thank you very much for the opportunity to testify again though today's topic is indeed a sobering one.

I am not here today to opine on why the Flint crisis happened but rather to respond to the Committee's charge of examining "Lessons Learned," as indicated by the title of the hearing. This is an especially important exercise as children around the country, not just in Flint, may be at risk of high levels of lead exposure or currently reside in places that are known to have high levels of lead in the water. So it is important to examine the Flint crisis not only for the children of Flint but for children nationwide – especially low-income children who are at greater risk of lead exposure.

Prevention is the key to ensure that such tragedies do not happen again. Screening for elevated blood lead levels for children enrolled in Medicaid is critical for the health of those children and also as a mechanism to identify possible widespread lead exposure. But screening alone is not sufficient to prevent community-wide lead poisoning. Public health surveillance systems must also be in place and adequately funded to ensure that all of our communities are safe.

[1] Please note that my views do not represent those of Georgetown University.

For the children of Flint, and others already identified with elevated blood lead levels, we must act immediately to ameliorate the harm that has been done. One essential response is to ensure that these children have health coverage going forward to ensure that they are able to obtain the many services they are likely to need. Elevated blood lead levels can lead to decreased IQ, academic failure and behavioral problems that are likely to adversely affect children for the rest of their life. The children of Flint must have comprehensive, affordable health coverage to identify all related health conditions now and in the future and provide high quality treatment.

And while there is so much bad news here, I would like to focus the Committee's attention on some good news that has emerged from this debacle – Governor Rick Snyder (a Republican) and President Obama's Administration (a Democrat) were able to come to agreement on a Section 1115 Medicaid waiver very quickly. The waiver relies on the Medicaid program to form the backbone of the state's response to this crisis for families in Flint. The waiver was submitted on February 14, 2016 and approved on February 28. At a time of sharp partisan discord, especially on health policy, it is worth noting that this bipartisan agreement on how to respond to the health care needs of children in Flint is comprehensive and happened quickly.

The terms and conditions of this waiver agreement include an expansion of Medicaid and the Children's Health Insurance Program (CHIP) for children and pregnant women with incomes up to and including 400 percent of the federal poverty level who were served by the Flint water system during a specified time period. Children and pregnant women above those income levels will be able to purchase or buy-in to public

coverage if they wish to do so, and CHIP premiums will be waived for those who are CHIP eligible. Children will retain coverage until age 21, and targeted case management services will be offered to families in Flint. It is estimated that an additional 15,000 persons in Flint will be newly eligible for coverage as a result.

This is not the first time that Medicaid has played a vital role in our nation's response to an emergency. After the terrorist attacks of 9/11, the state of New York obtained a Section 1115 waiver to extend Medicaid eligibility to additional groups and simplify the application process because the city's computer systems had been badly damaged, which made it difficult to process Medicaid applications. Following Hurricane Katrina, 15 states, DC, and Puerto Rico were granted Section 1115 waivers to provide temporary health coverage to those displaced by Katrina. Medicaid's financing structure and the flexibility afforded by the waiver process allow for this kind of nimble and critical response in times of crisis. Because Medicaid funding is not capped, Medicaid is able to respond to unanticipated emergencies whatever their cause.

And for children in situations such as that which has emerged in Flint, Medicaid's comprehensive pediatric benefit (Early Periodic Screening Diagnosis and Treatment or EPSDT) is essential. The Medicaid statute requires coverage of laboratory tests including lead blood level assessments appropriate for age and risk factors and once a problem is identified through a screen, the EPSDT benefit requires that treatment must be provided. In addition, children may not be charged premiums or copays in the Medicaid program, which can be a barrier to needed care.

These features of Medicaid made it the obvious choice for Governor Snyder to turn to in responding to the crisis in Flint. In general, his proposal, and the terms and conditions of the waiver agreed to with the federal Centers for Medicare & Medicaid Services (CMS), were sound. We did submit some specific suggestions for improvements such as expanding eligibility to lawfully residing immigrant children, following the recommendations of the American College of Obstetricians and Gynecologists regarding broader coverage of pregnant women, ensuring that public education is robust with respect to the coverage opportunities, and establishing a public notice process when a public health emergency is declared and the normal public comment rules are suspended.

The crisis in Flint creates an opportunity and indeed a responsibility to reexamine Medicaid policy with respect to lead more broadly. In that vein, I would propose the Committee consider two suggestions:

1) Congress should consider ways to improve lead screening rates in Medicaid. Despite the requirements to screen for lead in the Medicaid program, screening rates are not where they should be. States must ultimately be held accountable for low screening rates, but it is worth noting that most children in Medicaid are receiving services through managed care. Ensuring that managed care plans are held accountable for improving screening rates would go a long way towards ensuring that public health objectives are being met. This could be done at the federal level through legislative or regulatory change and, in the absence of federal action, states could insert requirements into their contracting processes with plans or reward plans with high lead screening rates. CMS is expected to

issue comprehensive final regulations on Medicaid managed care shortly, and after these regulations are released it would be worth revisiting this question.

2) Review CMS policy which allows states to request exemptions from universal screening requirements: As a result of recommendations made by the Centers for Disease Control and Prevention, and a process initiated during the tenure of Secretary Tommy Thompson, in 2012 CMS established a process by which states can request permission to target lead screenings rather than screen all children in Medicaid. To date, Arizona is the only state that has received permission to move to targeted screenings. Currently Washington and Nevada have such requests pending.

Recent events in Flint suggest that this option should be carefully reviewed and perhaps reconsidered. At a minimum, there needs to be a more robust public process for states requesting exemptions from universal screenings requirements similar to the process required for Section 1115 waivers.

Thank you for inviting me to testify today, and I look forward to your questions.