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September 6, 2018

The Honorable Joe Barton
U.S. House of Representatives
2107 Rayburn House Office Building
Washington, DC 20515

**SUBJECT: H.R. 3325 (BARTON) ADVANCING CARE FOR EXCEPTIONAL KIDS ACT
SUPPORT**

Dear Representative Barton:

On behalf of the California Children's Hospital Association (CCHA), representing California's eight free-standing, not-for-profit children's hospitals, I write in **SUPPORT** of your **H.R. 3325, the Advancing Care for Exceptional Kids Act (ACE Kids Act)**, which will expand access to patient-centered, pediatric-focused coordinated care models tailored for children with medical complexity, while simultaneously reducing program spending.

Medicaid covers over 37 million children, and a small percentage of these kids have complex medical conditions requiring ongoing and specialized care. In fact, their care accounts for significant percentage of all Medicaid spending on children. The ACE Kids Act addresses existing challenges — identified by families and physicians — facing these children, including the provision and coordination of care across multiple providers and services, and easing access to out-of-state care.

The ACE Kids Act adopts a proven approach for treating kids with medical complexity, as demonstrated through the CMS Innovation Center, formerly the Center for Medicare and Medicaid Innovation (CMMI). The ACE Kids model reduced costs and improved quality based on the documented care of thousands of medically complex children. CMMI's Coordinating All Resources Effectively (CARE) award — involving 10 children's hospitals and eight different state Medicaid programs, including DC — reduced emergency department visits by 26 percent and reduced inpatient days by 32 percent. In the first full year of operations coordinating care for 8,000 children, CARE ultimately reduced overall costs by 2.6 percent while improving patient experience. The ACE Kids Act would enable these innovations to spread nationally, and create a national framework to improve data collection and quality of care. It will allow for better coordination for out-of-state care, and spur innovation and the sharing of best practices between states.

Importantly, the ACE Kids Act would be optional for states, providers and families. It would also work within the existing structure of a state's Medicaid program, including those states, like California, with Medicaid managed care. The bill would allow for the creation of enhanced pediatric health homes and provide incentives for states to participate.

For all of these reasons, CCHA is pleased to **SUPPORT** your **H.R. 3325 (Barton), the ACE Kids Act**, which will improve Medicaid for the sickest children and reduce program spending.

Sincerely,

Mira Morton
Director of Government Relations

Cc: The Honorable Doris Matsui
The Honorable Anna Eshoo
The Honorable Tony Cárdenas