State Extension of the ACA Medicaid Payment Increase

Overview
The AAP and partnering physician organizations have continued our strong push for an extension of the 2013-2014 Medicaid payment increase, urging swift passage in the last Congress and reintroduction in the current Congress of the Ensuring Access to Primary Care for Women and Children Act (S 2694) to extend federal funding of Medicaid payment equity for 2 more years. While the 113th Congress adjourned January 2 without passing this legislation, the 114th Congress could act to extend Medicaid payment equity as part of a Medicare payment provision this year, in a Children’s Health Insurance Program (CHIP) funding expansion, or many other legislative packages.

The President has just released his budget proposal for the 2016 federal fiscal year, and it includes $6.3 billion to extend Medicaid payment equity through 2016. The AAP will work with the President and Congress to support an extension of this critical federal funding.

Pediatrician and state AAP chapter activities to support this federal extension have been enormously helpful and we thank you for all you have done in this effort. If you have not acted already, it is not too late! Log on to federaladvocacy.aap.org to urge Congress to continue this much needed increase in Medicaid payment.

State Medicaid programs are no longer receiving targeted federal support for the increased payments—should Congress pass a federal extension, the increased payments could be resumed retroactively. States may be making payments for services rendered in 2014 into the new year at increased rates, but services rendered in 2015 will likely be paid at your state’s existing Medicaid rate.

State Advocacy Moving Forward
This StateHealth e-update provides chapters with resources to advocate for a state-funded extension of the ACA Medicaid payment increase. Several states have already committed to continuing Medicaid payment equity with state funds in 2015.

Details
The ACA Medicaid payment increase raised Medicaid payment for primary care and immunization administration services to Medicare-equivalent levels in 2013-2014. This much needed increase in Medicaid payment addresses longstanding issues of inappropriately low Medicaid payment levels and resultant limits to access to care. The Medicaid payment increase has had a profound impact on countless pediatric practices across the country.

Should an AAP-sought federal extension not come to pass, chapters are urged to join the 14 states (AL, CO, CT, DE, HI, IA, ME, MD, MI, MS, NE, NV, NM, and SC) that have budgeted to continue the Medicaid payment increase in 2015 in some capacity (ie, MI is maintaining rates at 78% of Medicare). In addition to these states, Medicaid programs in AK and ND paid at higher rates than Medicare prior to 2013.

State action in 2015 will ensure that equitable Medicaid payment continues. State dollars spent on extension of the Medicaid payment increase will be matched at your state’s existing federal Medicaid match, and will be a smart investment in the future of your state.

Chapters are encouraged to work with state medical societies and other physician and patient advocacy groups in advocating for a state continuation of Medicaid payment equity. There are many ways AAP chapters can advocate on this critical issue:

- Document the impact the ACA Medicaid payment increase has had on physician practices through a member survey, and use the results to argue for a state funded extension. As an example, the Ohio State Medical Association, working together with the Ohio AAP Chapter, surveyed physician members in 2014 as to the impact of the ACA Medicaid payment increase. AAP chapters can conduct a similar survey using SurveyMonkey—attached you will find sample questions for such a survey. If your chapter requires assistance creating such a survey, please contact the Division of State Government Affairs at stgov@aap.org and we will provide you with a standardized survey for dissemination to your chapter members.
• Highlight an increase in the number of pediatricians and other physicians now accepting Medicaid patients in your state. Connecticut was able to demonstrate that the number of CT physicians participating in Medicaid doubled between January 2012 and December 2013. Raw Medicaid provider enrollment is important because it is a proxy for availability of care as well as the positive response physicians have had to the Medicaid payment increase. Chapters can inquire with state Medicaid programs as to this data or include related questions in a survey to members.

• Use the attached talking points and provide lawmakers with stories of the impact of the ACA Medicaid payment increase, urging a state extension. In addition to new research published in the New England Journal of Medicine that documents the positive effect the ACA Medicaid payment increase had on physician availability, numerous pediatricians have spoken to the positive impact the ACA Medicaid payment increase had on their practices. Stories of added practice services, the ability to hire new staff, or expanded access for Medicaid patients all speak to the value of extending Medicaid-Medicare payment parity with state funds. Chapter members can use the attached talking points as the basis of a conversation with lawmakers.

AAP Chapter Guidance
Congress may still address Medicaid payment equity in 2015. The Academy and our partners continue tireless advocacy on this issue. However Congress’ inaction should not preclude state advocacy to extend the Medicaid payment increase in 2015. Chapters are encouraged to use the attached resources and the targeted assistance of the Division of State Government Affairs to advocate for an extension of the Medicaid payment increase with state funds.

AAP chapters and members with questions or in need of consultation on this issue can contact the Division of State Government Affairs at stgov@aap.org or 800/433-9016, ext 7799.

The Division of State Government Affairs sends this update to the Academy’s Executive Committee, Board of Directors, District Vice Chairs, Chapter Presidents, Chapter Vice Presidents, Chapter Legislative Contacts, Committee on State Government Affairs, Committee on Federal Government Affairs, Chapter Executive Directors, and other interested AAP members and staff.