

The Honorable Debbie A. Stabenow
U.S. Senate
133 Hart Senate Office Building
Washington, D.C. 20510

June 24, 2009

Dear Senator Stabenow:

The undersigned national child welfare and mental health organizations and similarly impacted child- and family-strengthening organizations write today in strong support of S. 1217, the Medicaid Services Restoration Act. This legislation, first introduced in the 110th Congress in response to a series of extremely restrictive Medicaid regulations, will help ensure that vital Medicaid services and options are protected for vulnerable populations such as children and youth involved in our nation's child welfare and foster care systems, individuals with disabilities, and children and adults with mental illness.

In 2007 and 2008, the previous Administration issued a series of Medicaid regulations that in the aggregate would devastate our nation's health care safety net. These changes were proposed in a time of serious economic downturn, when states with highly constrained budgets were already being forced to cut essential human and health services. The regulations would have further restricted access to services and in some cases, shut off access completely. In addition, many provisions of the proposed regulations were quite controversial, being extremely vague and/or having little or no basis in Medicaid law. The 110th Congress, acknowledging the regulations' negative impact and controversial nature, enacted moratoria on several of the Medicaid regulations and the current Administration is in the process of wholly or partially rescinding these harmful regulations.

Even if the entire series of Medicaid regulations were rescinded, your legislation is necessary to clearly define the Medicaid Rehabilitative Services and Targeted Case Management (TCM) options and to provide a transparent funding stream for the evidence- informed and highly effective placement for children and youth with serious medical, psychological, emotional and social needs known as therapeutic foster care (TFC).

Children and youth in our nation's child welfare and foster care systems represent a particularly vulnerable segment of society and very much rely on the Medicaid Rehabilitative and TCM options and evidence-informed treatment such as therapeutic foster care to receive the services that they need. These children and youth have a higher rate of physical and mental health issues, stemming either from abuse and/or neglect or from preexisting health conditions and unmet long-term service needs. A critical and forward-moving piece of S. 1217 is its creation of a medical assistance option for therapeutic (or treatment) foster care. Therapeutic Foster Care (TFC) provides services in a least-restrictive, community-based environment for children with severe mental and behavioral health needs. While states often rely currently on a patchwork of funding for TFC, creation of a medical assistance category within Medicaid for TFC would improve the quality of care for these children and youth by offering a streamlined, transparent system of reimbursement. Unlike Title IV-E, such a service category would be available to

nearly all TFC foster children and would help ensure access to needed clinical treatment services, utilizing clinically validated programs and evidence informed treatment protocols which are individualized for each child or youth.

The Medicaid Rehab Services option reduces physical and mental disabilities that many children in care experience and restores them to optimal functioning level through the delivery of clinical treatment services. At least 38 states employ the Medicaid TCM option to ensure children in foster care receive a comprehensive approach and greater coordination of care. S. 1217 would help protect the rehab and TCM options for vulnerable populations by enabling the child welfare and foster care systems to still draw down Medicaid dollars for important clinical treatment and/or case management as appropriate. Among other key provisions, the legislation would permit states to use reasonable and efficient payment methodologies for Medicaid rehab and TCM services, including the use of capitated rates for treatment services and would also allow the use of multiple case managers when necessary.

The undersigned organizations thank you for your continued commitment to the Medicaid program and to protecting vulnerable children's and youths' access to vital Medicaid services and options. We look forward to working with you to see this legislation move forward in the 111th Congress.

Sincerely,

Alliance for Children and Families
American Academy of Child and Adolescent Psychiatry
American Academy of Pediatrics
American Group Psychotherapy Association
American Humane Association
American Mental Health Counselors Association
American Psychiatric Association
American Psychotherapy Association
Anxiety Disorders Association of America
Association for Ambulatory Behavioral Healthcare
Bazelon Center for Mental Health Law
Child Welfare League of America
First Focus
Foster Family-based Treatment Association
Generations United
KidsPeace National Centers
Lutheran Services in America
Mental Health America
NAMI - The National Alliance on Mental Illness
National Association of Anorexia Nervosa and Associated Disorders
National Association of County Behavioral Health & Development Disability Directors
National Association of County Human Services Administrators
National Association of Pediatric Nurse Practitioners
National Association of Psychiatric Health Systems
National Association of Social Workers

National Association of State Mental Health Program Directors
National Council for Community Behavioral Healthcare
National Federation of Families for Children's Mental Health
National Foster Care Coalition
National Foster Parent Association
National Indian Child Welfare Association
Neighbor To Family
North American Council on Adoptable Children
Orphan Foundation of America
The Arc of the United States
The MENTOR Network
The Rebecca Project for Human Rights
United Cerebral Palsy
United Jewish Communities
United Neighborhood Centers of America
Voices for America's Children
Youth Law Center