

February 2, 2015

Page 1 of 3

Blastfax!

**Georgia AAP Legislative Alert...
Campaign for Medicaid Reimbursement Begins,
YOUR ACTION REQUESTED!**

Now that the Georgia Legislature has convened for its 2015 session, they will write the state budgets which will determine physician reimbursement levels in the Medicaid program. Increasing the Medicaid payments to physician practices is the #1 Georgia AAP priority this session.

Except for the 2 years of federally-funded Medicare-Medicaid parity which just ended on December 31, Medicaid payment rates have not increased in 14 years. We know such poor reimbursement affects access to care negatively, and deprives many children of a medical home. Further, lack of access to primary care and pediatric subspecialty care, will drive many children to the ED which is more expensive and episodic.

We will need the help of all Georgia AAP members to communicate the importance of maintaining pediatric access for the children and adolescents in Georgia. The Legislature will write two state budget bills: one for Amended FY 2015, which makes adjustments in the current year, which ends on June 30. The second budget bill, for FY 2016, is next year's budget. What we would ask you to do now:

1. **Find out who your state representative and state senator is, if you do not know.** Look up both for your home address and your practice address, if different. You can do this on the Georgia AAP website. (www.gaaap.org)
2. The Amended FY '15 budget is now being considered by the Senate. **Make contacting your State Senator your first priority this week.** Contact your state Senator and ask them to address the issue of the chronically low reimbursement of physician practices in the Medicaid program. A listing of the members of both the **House and Senate Appropriations Medicaid sub-committees** can be found on the Legislative page of the Georgia AAP website. If you live or practice in one of their districts, **it is ESPECIALLY important for you to contact them now.**
3. We have included a **Sample Letter** to work from for you to Email. (It's also on the Georgia AAP Website Legislative Page). Don't merely copy it verbatim. Use your own "voice."
4. We have also included a list of additional **Talking Points** to use with legislators.
5. Please notify the Georgia AAP office of responses or dialogue you have with your representatives.
6. This will be a long fight and may go into April. Please hang in there with us and watch for our following Blast Emails and Faxes. Together we will win this fight and continue to do great things for the children of Georgia and all of us who care for them. For more information, call the Georgia AAP office at 404-881-5091 or email: jrice@gaaap.org, Attn: Rick Ward. Thank you.

Evelyn Johnson, MD
President

Melinda Willingham, MD
Legislative Committee Chair

Anu Sheth, MD
Medicaid Task Force Chair

Preserving Georgia's Primary Care Medical System & Access to Care

The proposed Medicaid budgets—AFY '15 and FY '16-- contain no funds for increases in physician reimbursement levels for Medicaid, the 14th consecutive year in which Medicaid payments for physician visits have not been increased by the state—not since 2001.

We urge the House and Senate Appropriations Committees to add funds to both year's budgets to increase Medicaid reimbursement to physician practices to Medicare levels. (Medicare rates are set by the US government.) We believe the care of a newborn, or a 5 year old, or a 15 year old, is just as important to our society as the care of a 65 or 75 year old. This chronically low payment is now reaching the tipping point for our state's health care system. Other facts to consider:

- Children make up the largest number of Medicaid patients. About 2/3 of all the people covered by Medicaid are children; yet they account for only about 1/3 of expenditures. **43% of ALL children in Georgia**, from newborns to 18 years old, receive their health insurance thru Medicaid.
- The physician specialties that deliver the vast majority of care to Medicaid patients are **pediatricians, family physicians, OB/Gyn's and internists**. (Primary care specialties.) According to the Georgia Board for Physician Workforce, **61 counties in Georgia have a deficit of needed pediatricians, and 23 counties have no pediatricians at all**. And when a practice closes, it's not just Medicaid patients who are affected. It's a loss for the entire community.
- **We know that education & improving schools is going to be a focus of the Legislature this year**. But there is a critical pre-condition to learning for the child: their health. It won't matter what the school is like—great, average, or struggling—if the child is not healthy and ready to learn.
- **Current Medicaid rates to physician practices are only about 75% of Medicare rates**; and the most commonly used services pay only 60% of Medicare. And compared to regular commercial insurance plans, they pay only about half of what they pay. Compared to commercial insurance the Medicaid reimbursement is about half.
- For the past two years, **the US government provided funds to increase in Medicaid rates to the level of Medicare rates**. This ended on December 31, 2014. Three of our Southeastern state neighbors: **Alabama, South Carolina, and Mississippi, have recognized the positive impact of Medicare rates in the Medicaid program**, and have already acted to maintain Medicare-Medicaid parity in their reimbursement rates.
- Recent **research has shown the positive effect of the Medicaid payment increase**. In a New England Journal of Medicine 10-state study, the availability of physician's treating Medicaid patients jumped by 8 percentage points during the ACA Medicaid payment years of 2013-14. State with larger increase in payment saw availability increase over 10 percentage point. This confirms what we know: Medicaid payment levels direct impact the ability of physicians to accept Medicaid patients.
- Following the expiration of the federal Medicaid payment increase, **Medicaid payment levels in Georgia were cut by 35% overall**, with the rates for the most common services cut by 44%.

For more information, contact the Georgia AAP at 404-881-5091 or email jrice@gaaap.org Attn: Rick Ward.

American Academy of Pediatrics

February 2, 2015

Page 3 of 3

Sample Email message to your State Senator or State Representative

Please modify to fit your circumstances and add “your voice.” Above all, be respectful in tone. First, call their office and leave a message as to who you are and that you are sending the Rep. or Senator an Email message regarding the Medicaid payment budget item for physician services.

Dear Senator _____ (or Rep. _____)

I am a pediatrician who has practiced for xx years at Sunnyside Pediatrics and lives in your district. (Or I am a pediatrician whose practice, Sunnyside Pediatrics, is located in your district.)

My practice serves both children with commercial insurance and those children on Medicaid & Peachcare. Routine medical care for children—in their “medical home—their regular doctor’s office is so important for children. Preventive care and regular check-ups ensure that the child remains healthy and that any condition or disease is diagnosed early and the child can receive the needed treatment.

However, my (*our practice’s*) ability to continue to provide that care to the children in our area is now threatened by chronically low reimbursement from Medicaid. Here in Georgia, Medicaid pays only 75% of what Medicare pays, for the care of a senior citizen. And for the services which I provide most often, it pays only about 60% of that.

Medicaid payments directly impact our practice’s participation in the Medicaid program and this is a key factor in ensuring that these children—who make up nearly 70% of the Medicaid patient population—get the care they need.

In my practice we have discussed....(*options re dealing with poor Medicaid payments, closing to Medicaid patients, reducing Medicaid volume, postponement of expansion plans, closing satellite offices, etc.*)

I urge you to support measures in the Appropriations process to increase Medicaid reimbursement to practices who treat these children. This is especially important in our area, where we have a shortage of pediatricians and other primary care doctors like family medicine and OB/Gyn’s. (*Use this if appropriate and accurate.*)

I would be happy to provide more information to you. But once again, I ask that you to help address this very critical problem in Georgia. I can be reached at the contact information below. Thank you.

Sincerely,

John Smith, MD
Sunnyside Pediatrics
Address and city and phone & email