Texas House Select Committee on Health Care Reform

Written Testimony on Behalf of Valerie Smith, MD, FAAP

October 3, 2022

Testifying on behalf of:

Texas Pediatric Society
Texas Medical Association
Texas Academy of Family Physicians
Texas Chapter of the American College of Physicians
Texas Association of Obstetricians and Gynecologists
American College of Obstetricians and Gynecologists, District XI (Texas)

Chair Harless, Vice Chair Rose, and committee members,

My name is Valerie Smith, and I am a practicing primary care pediatrician in Tyler. Thank you for the opportunity to testify on behalf of the Texas Pediatric Society, Texas Medical Association, and additional specialty societies listed on my testimony. Together, our organizations represent more than 56,000 physicians and medical students across the state. I want to express our organizations' appreciation for this committee's commitment to ensuring that Texans access the preventative health care they need to remain healthy and thriving.

Reaching the Eligible for and Unenrolled in Medicaid

Before addressing the impacts of delayed care and how we can bring families back into the health care system, we would like to briefly address the committee's important work on outreach and enrollment for Medicaid eligible Texas children**.** This will be especially important considering the required eligibility unwinding at the end of the public health emergency. **We support policy efforts such as full funding for HHSC's exceptional item 2 regarding critical eligibility workforce needs, express lane eligibility, proactively enrolling newborns, and funding for the Community Partners Program (CPP)**. At our clinic in Tyler, we are fortunate to participate in the CPP, which allows a staff member access to TIERS so that they can assist our patients in enrolling in Medicaid and the Supplemental Nutritional Access Program (SNAP). The program is an effective way of meeting families in places where they are already being served and answering questions about what can be a daunting and complicated enrollment process. However, the CPP program does not currently provide funding to community-based organizations (CBOs), only access to the enrollment system and some technical assistance from the Health and Human Services Commission (HHSC). My clinic in Tyler is a faith-based clinic that is funded through a combination of Medicaid revenue, philanthropy, and community support. If we could apply for state grants through the CPP program, we would be able to continue and expand this service for our patients when philanthropic dollars dry up or are allocated elsewhere.

Importance of the Primary Care Medical Home in Addressing Delayed Care

A medical home is a trusting partnership between a patient and a physician-led primary health care team that combines place, process, and people. It is an approach to comprehensive primary care in which a trusted physician partners with a family to establish regular, ongoing care and to help the patient and family access and coordinate specialty care, educational services, family support, and other public and private services.[1]

The value of the medical home was recognized as a key benefit of Texas Medicaid's transition from fee-for-service to managed care. Managed care organizations assist with care coordination themselves but are also required to identify a primary care provider for the client who serves as the patient's medical home. According to the Texas Medicaid and CHIP Service Guide, the medical home "deliver[s] comprehensive preventative and primary care, as well as provides referrals for specialty care and other covered services." Not only does this model allow for a PCP to work closely with a family to increase quality of care, but the medical home also can help with cost management as the system of referrals and emphasis on preventative and primary care can limit over-utilization, while still improving access to covered, medically necessary services."[2] Texas' recognition of the importance of a medical home for the 43 percent of Texas children on Medicaid demonstrates a best-practice, cost saving model that should be replicated everywhere.

Impact of COVID-19 Pandemic on Delayed Care

The COVID-19 pandemic led to Texans delaying crucial preventative health care services in a state where rates of accessing primary care were already too low. During the first months of the pandemic, patients' avoidance of clinics helped the system adapt to address the surge of COVID-19 cases and provide time for clinics to implement systems that could keep everyone safe during routine visits. As we learned more about the novel virus and we were able to safely bring in patients, physicians began a robust outreach campaign. Our associations helped by creating resources such as TPS' *Immunizations and Back to Office Resource Toolkit,* with sample letters to families, social media posts, call scripts, and more. National associations[3] and the Centers for Disease Control (CDC)[4] put out ongoing and evolving clinical guidance to ensure best practice care could still be provided throughout the pandemic. Drops in preventative care were most acute in those first months and persistent throughout 2020. From March to May of 2020, the number of health screenings for children and Medicaid and CHIP nationwide decreased by 40 percent, and vaccinations for children under two decreased by more than 30 percent.[5]

While rates of preventative care services rebounded in 2021, rates for well-care visits, which include well-child checkups, immunizations, and screenings, have not fully recovered to pre-pandemic levels. In one analysis from May of this year, 33 percent of families still report having missed or delayed a well-child, preventative check-up in the previous year. The trend is slowly rebounding, as 36 percent reported missing preventative care in data

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[1] American Academy of Pediatrics (November 21, 2015). "A Medical Home Where Everybody Knows Your Name." *Healthy Children Magazine, Winter 2007.* Retrieved from: https://www.healthychildren.org/English/family-life/health-management/Pages/A-Medical-Home-Where-Everybody-Knows-Your-Name.aspx

[2] Texas Health and Human Services Commission. (2020). Texas Medicaid and CHIP Reference Guide. Thirteenth Edition. Retrieved from:https://www.hhs.texas.gov/sites/default/files/documents/laws-regulations/reports-presentations/2020/medicaid-chip-perspective-13th-edition/13th-edition-complete.pdf

[3] American Academy of Pediatrics. (July 19, 2022). Guidance on Providing Pediatric Well-Care During COVID-19. Retrieved from: https://www.aap.org/en/pages/2019-novel-coronavirus-covid-19-infections/clinical-guidance/guidance-on-providing-pediatric-well-care-during-covid-19/

[4] Centers for Disease Control. (August 1, 2022). Catch Up on Well-Child Visits and Recommended Vaccinations. Retrieved from: https://www.cdc.gov/vaccines/parents/visit/vaccination-during-COVID-19.html

[5] Stephanie Polacchek, MSW, Hannah Geers, MSD, Center for Health Care Strategies. (October 9, 2020). COVID-19 and the Decline of Well-Child Care: Implications for Children, Families and States. Retrieved from: https://www.chcs.org/resource/covid-19-and-the-decline-of-well-child-care-implications-for-children-families-and-states/

from July of 2021.[6] Texas child immunization rates also reflected this trend. Department of State Health Services (DSHS) data shows Texas Vaccines for Children (TFVC) providers administered almost one million more childhood vaccines in 2021 versus 2020. These are the immunizations provided to low-income children on Medicaid, CHIP, or who are uninsured. While this increase is promising, we are still slightly below 2019 vaccination levels. Texas pediatricians are working hard to overcome the effects of the COVID-19 pandemic and ensure as many children as possible are protected from vaccine-preventable diseases.

We have also seen that while rates of well-care visits have decreased, many risk factors for Texans' health have increased during the pandemic. For children, the interruption of daily routines, social isolation, and the stress of living through a pandemic adversely affected many children's mental health. As a result, children are coping with depression, anxiety, trauma, and suicidality at alarming rates. So much so, the American Academy of Pediatrics, American Academy of Child and Adolescent Psychiatry, and Children's Hospital Association declared a national emergency in child and adolescent mental health towards the end of 2021.[7] Compared with 2019, the proportion of mental health-related visits to the emergency room for children aged 5 to 11 and 12 to 17 increased by approximately 24 percent and 31 percent nationally.[8]

These same disruptions have led to increases in obesogenic factors for many demographics – more sedentary time, decreased physical activity, and changes in diet due to food insecurity and changes in routine.[9] Primary care physicians (PCPs) have the training and tools to diagnose and treat these risk factors which are often key components of well-child visits, if we can get patients back in the door.

While many Texans delayed care during the pandemic, low rates of Texans accessing preventative health care services were already a concern in the state before 2020. Based on Medicaid data reported to CMS, only 79.4 percent of children between 3 and 6 years old and 66.7 percent of adolescents had at least one well-care visit with a PCP in 2018.[10] Therefore, in looking at ways to get patients back into the health care system, we encourage the Committee to take the opportunity to look beyond the barriers created by the pandemic and seek solutions that address the full scope of the issue.

The impact of delayed primary care is significant and broad. Well-visits, especially well-child visits, are key to keeping patients healthy. They provide a central hub to build trusting relationships between physicians and families. This trust has never been more important than now as our society grapples with ever-present misinformation and disinformation. Well-child visits include a wide scope of services, from recommended immunizations, developmental screenings, and anticipatory guidance to management of chronic diseases and monitoring for mental and behavioral health concerns. Well-child visits are scheduled based on the periodicity schedule created by the American Academy of Pediatrics[11] in accordance with milestones for child development.

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[6] Drake, Patrick; Williams, Elizabeth (August 5, 2022). Headed Back to School: A Look at the Ongoing Effects of COVID-19 on Children's Health and Well-Being. Retrieved from: https://www.kff.org/coronavirus-covid-19/issue-brief/headed-back-to-school-a-look-at-the-ongoing-effects-of-covid-19-on-childrens-health-and-well-being/

[7] American Academy of Pediatrics. (October 19, 2021). AAP-AACAP-CHA Declaration of a National Emergency in Child and Adolescent Mental Health. Retrieved from: https://www.aap.org/en/advocacy/child-and-adolescent-healthy-mental-development/aap-aacap-cha-declaration-of-a-national-emergency-in-child-and-adolescent-mental-health/

[8] Leeb et al. (2020), *Morbidity and Mortality Weekly Report*, "Mental Health-Related Emergency Department Visits Among Children Aged <18 Years During the COVID-19 Pandemic." Retrieved from: https://www.cdc.gov/mmwr/volumes/69/wr/mm6945a3.htm.

[9] Burkart S, Parker H, Weaver RG, Beets MW, Jones A, Adams EL, Chaput JP, Armstrong B. (August 18, 2021) Impact of the COVID-19 pandemic on elementary schoolers' physical activity, sleep, screen time and diet: A quasi-experimental interrupted time series study. Pediatr Obes. 2022 Jan;17(1):e12846. doi: 10.1111/ijpo.12846. Epub 2021 Aug 18. PMID: 34409754; PMCID: PMC8420216.

[10] Centers for Medicare and Medicaid Services (September 2019). 2019 Annual Reporting on the Quality of Care for Children in Medicaid and CHIP, Child Health Quality Measures Data Set. Retrieved from: https://data.medicaid.gov/dataset/229d6279-e614-5353-9226-f6a6f37d06c3

[11] American Academy of Pediatrics. (July 2022). Recommendations for Preventive Pediatric Health Care. Retrieved from: https://downloads.aap.org/AAP/PDF/periodicity_schedule.pdf?_ga=2.215514129.725271279.1663773988-1826587864.1663164128

The schedule of visits is dictated to help ensure that we can identify and address any issues early. Missing visits can lead to delays in addressing unhealthy weight changes, mental health concerns, and developmental concerns. When physicians identify weight gain or developmental concerns early, we can proactively counsel families to prevent further issues and refer to services like Early Childhood Intervention to avoid more intensive and expensive interventions.

Through both necessity and your investments in the primary care system, primary care physicians have expanded our capacity to directly address a wider range of concerns. While helping children catch up on immunizations and addressing developmental questions have been our bread and butter for a long time, many PCPs are now addressing mental and behavioral health concerns in office. The legislature's investments in the primary care system and mental health through the Child Psychiatry Access Network (CPAN) have strengthened the medical home and primary care's capacity to address mental and behavioral health concerns. Through CPAN, we are more equipped to address mental and behavioral health concerns brought to us instead of having to refer patients out and potentially delay further care.

Maintain a Best-Practice, Holistic Approach to Child Health Care by Avoiding Fragmentation

When addressing delays in care, we urge the committee not to pursue policies that fragment the primary care medical home by addressing one specific component of preventative care. Solutions that may increase access to immunizations alone, for example, may leave children vulnerable to missed screenings, diagnosis, and other care not caught by the child's physician. For older children and adolescents, populations who are more likely to miss preventative check-ups, school-required immunizations are often what bring these patients in for care. These visits provide critical opportunities to assess mental health concerns and provide anticipatory guidance at a critical age. Families may not feel comfortable scheduling a sick visit to discuss mental health, but if they are already in the office and raise concerns, we can act before the concerns become more acute and disrupt home and school life.

During well-child visits, primary care providers consider the whole health of a child. Fragmenting care via a one-off, transactional exchange at a chain pharmacy or minute clinic erodes our state's progress towards ensuring all families have continuous, coordinated, cost-saving care at their trusted primary care physician's office. This is especially important now as we struggle to combat misinformation and disinformation related to immunizations. Patients who may be vaccine hesitant need time and space to discuss their concerns with the same physician they have been building a relationship with for years. Patients going without immunizations are not going to seek them out in pharmacy settings. Instead, these additional settings simply remove those already planning to get vaccinated out of the medical home and into other more fragmented, one-off sites of care.

Any policy approach the state takes should ensure it helps to serve our most vulnerable children. Most pharmacies are unwilling to participate in Texas' Vaccines for Children Program, which provides free vaccines to children on Medicaid, CHIP, and those who are uninsured. While they may cite the administrative burdens of the program, Texas pediatricians and family physicians have been up for this challenge since the program's inception and doing so with much slimmer operating margins than corporate pharmacies.

Finally, if additional access points for vaccines are needed, they must be targeted to actual public health needs and not to bolster a retail or corporate business model of healthcare. For instance, Texas has historically struggled to fully vaccinate our population against influenza. That is why age limitations for flu vaccine in pharmacies are lower – seven years of age – than all other vaccinations. Based on the need to improve these rates, we would be supportive of a limited expansion of pharmacy vaccinations to only flu and COVID for

children down to the age of three if those same pharmacies participate in the Texas Vaccine for Children program and provide vaccines equitably to all children regardless of payor or socioeconomic status.

Getting Texans Back into Care

We believe there are several opportunities for the state to get Texans to return to their medical homes through the following recommendations.

1. **Direct the Department of State Health Services to implement a public health campaign to encourage Texans to get back in to see their doctor.** The Department has done a heroic job messaging to Texans about the importance of preventive measures, including vaccines, in the wake of the COVID-19 pandemic. As we enter this next stage, DSHS can pivot their messaging to ask Texans to consider the last time they saw their doctor and encouraging them to make a preventative care appointment.
2. **Eliminate copays for primary care in the Employee Retirement System and the Teacher Retirement System.** Even when low, copays create an additional step that can lead to Texans pushing off a primary care visit to pay for more urgent needs. Studies have indicated that eliminating copays end up reducing overall health care spending through reduced emergency department visits.[12]
3. **Hold managed care organizations accountable for getting families in to seek preventative care.** As previously mentioned, a strength of facilitating Medicaid through a managed care system should be the care coordination they can provide. MCOs are required to help clients identify a primary care physician, but they are also responsible for ensuring that their caseload hits important targets for rates of Texas Health Steps or well-child visits. If they fall short of targets, HHSC should work with MCOs on plans to raise those rates through their care coordinators.
4. **Increase funding in the state's GME Expansion Grant program and other primary care medical education pipeline programs through the Texas Higher Education Coordinating Board.** Texas' population continues to grow, and we need to maintain a primary care physician workforce to meet the increasing demand. We thank the Legislature for their ongoing investment in Texas' Primary Care Preceptorship program, which introduces medical students to the primary care setting early on in their careers.
5. **Adequately compensate physicians to keep primary care practices viable in all areas of the state and to ensure families can access care in a timely manner.**

    a. **Address low Medicaid Rates to ensure network adequacy in Medicaid.** While MCOs are accountable for ensuring clients can access preventative care, there must be enough physicians enrolled in Medicaid with available appointments for MCOs to successfully ensure access for their caseloads. Due to low Medicaid rates, many physicians cannot afford to participate in Medicaid or must limit the number of Medicaid clients they can accept to remain a viable business. This is especially true for small, independent practices or those in rural areas that are not affiliated with a Federally Qualified Health Clinic (FQHC) or hospital system that can make up for the losses incurred from treating patients on Medicaid. Texas has the second highest percentage of physicians who do not participate in Medicaid, in part due to physician payment having not been updated significantly in more than 25 years despite rising health care costs.[13] For a routine childhood exam, Medicaid will pay 37 dollars[14] compared to an average of 87

[12] Ma, Q., Sylwestrzak, G., Oza, M., Garneau, L., & DeVries, A. R. (2019). Evaluation of value-based insurance design for primary care. *Am J Manag Care*, *25*(5), 221-227.

[13] Alexander, D., Schnell, M. (Aug 2020). The Impacts of Physician Payments on Patient Access, Use, and Health. National Bureau of Economic Research. Working Paper 26095. Retrieved from: https://www.nber.org/papers/w26095

[14] Texas Medicaid establishes rates for each service billed by physicians. However, Medicaid managed care organizations may contractually establish different payment rates, which are proprietary

dollars a commercial plan would pay.[15] Lack of physician participation leads to families facing delays in care, which costs the state more in higher cost care.

HHSC has recognized this issue in their 2024-2025 Legislative Appropriations Request. Exceptional Item #12 includes a consolidated rate request after identifying several categories for increased reimbursement rates in Medicaid, including physician evaluation and management codes. Specifically, "wellness visits for kids and other offices visits" and "birth-related and women's health surgeries," are amongst the top three rate increases that, if implemented, "would positively impact client's access to high quality care." The exceptional item currently has a placeholder value, but we encourage this committee to work with the House Appropriations and Senate Finance Committee to put real investment into this HHSC request.

b. **Require payment parity for services provided via telehealth.** Telemedicine has been an amazing tool that has been instrumental in helping increase access to care and minimize delays for patients throughout the pandemic. Patients can receive high quality care from their regular primary care physician when clinically appropriate to do so via telehealth without barriers such as lack of transportation, long distances, or childcare concerns. However, it is not always cost-effective for physicians to provide this care as commercial insurance payment is often lower than in-person care. Providing telehealth services requires similar time from physicians and clinic staff as well as additional costs for the technology to connect with patients. To maintain the feasibility of this vital tool, payment for services provided via telehealth under commercial insurance must be on par with those provided in person.

Thank you for the opportunity to speak with you about these important issues. We look forward to continuing to work with you to ensure Texans return to the health care system and receive the care they need to be healthy and productive. For any questions or follow-up, please contact Clayton Travis, Director of Advocacy and Health Policy with the Texas Pediatric Society at Clayton.Travis@txpeds.org.

[15] Texas Medical Association estimated average commercial payment based on analysis from the Medicare Physician Payment Advisory Committee