

April 15, 2010

The Honorable Tammy Baldwin  
U.S. House of Representatives  
2446 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable John Sullivan  
U.S. House of Representatives  
434 Cannon House Office Building  
Washington, D.C. 20515

Dear Congresswoman Baldwin and Congressman Sullivan:

The undersigned national and state organizations write today in strong support of HR 4787, the Medicaid Services Restoration Act of 2010. This legislation will help ensure that vital Medicaid services and options are protected for vulnerable populations such as the children and youth involved in our nation's child welfare and foster care systems, individuals with disabilities, and children and adults with mental illness.

Before they walk through the service delivery door, many of these children have been exposed to multiple traumas, including domestic violence, physical and emotional abuse, neglect, community violence, and exposure to other risk factors such as parental mental health problems, substance abuse, and poverty.

In 2007 and 2008, the previous Administration issued a series of Medicaid regulations that in the aggregate would have devastated our nation's health safety net for the above mentioned populations. The regulations would have greatly restricted access to services and in some cases, shut off access completely. The 110<sup>th</sup> Congress, in an overwhelmingly bipartisan fashion, acknowledged the regulations' negative impact and controversial nature and enacted moratoria on several of the Medicaid regulations. The current Administration has wholly or partially rescinded these harmful regulations since taking office. Your legislation is necessary to clearly define and protect these Medicaid options by codifying language reflecting Congressional intent.

A critical and forward-moving piece of HR 4787 is its creation of a medical assistance option for direct billing of medically necessary therapeutic (or treatment) foster care services, the evidence-informed and highly effective placement for children and youth with serious medical, psychological, emotional and social needs known as TFC. Recommended in the 1999 U.S. Surgeon General Report on Mental Health as an effective intervention, TFC results in positive outcomes relating to the child's behavior and to maintaining permanency. TFC provides services to approximately 50,000 foster children with severe mental and behavioral health needs in a community-based environment.

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. Such a service category 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.

Among other key provisions, the legislation would permit states to use reasonable and efficient payment methodologies for TFC, Medicaid rehab and TCM services, including the use of capitated rates for treatment services.

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 111<sup>th</sup> Congress.

Sincerely,