March 21, 2022

The Honorable Dr. Jim Wood, Chair

Assembly Health Committee

LOB, 1020 N Street, Room 390

Sacramento, CA 95814

**Re: AB 2402 (Rubio) Medi-Cal: continuous eligibility – Support**

 *Assembly Health Committee – March 29, 2022*

Dear Dr. Wood,

The Children’s Partnership is pleased to co-sponsor AB 2402 (Rubio), which will stabilize coverage and continuity of care for Medi-Cal children up to age 5 by providing multi-year continuous eligibility. This is similar to the current 12-month continuous Medi-Cal coverage provided to children, whereby children maintain coverage regardless of changes in eligibility within their first year of life.

***Continuous coverage is an anti-racist approach to Medi-Cal enrollment.***  Even before the pandemic, long-standing, structurally racist policies and practices have created an environment where families of color experience a significantly greater degree of volatility in employment, income, and housing. These economic and housing conditions heighten the risk of disruptions in coverage, especially when combined with the additional administrative hurdles families face in enrolling in and renewing Medi-Cal as compared to other forms of coverage, such as employer-sponsored insurance. Because three out of four Medi-Cal children are children of color, Medi-Cal can play a pivotal role in advancing equity by ensuring that BIPOC children have a healthy start, beginning with ensuring their health coverage is stable and continuous.

***About nine percent or 90,000 children ages zero to five in California experience gaps in their Medi-Cal coverage, mostly due to administrative barriers.*** In California, the estimated average gap in Medi-Cal coverage for children is three to four months. According to the Department of Health Care Services, about half of children in Medi-Cal were initially terminated from coverage due to a “catch-all reason” categorized as “failure to respond.” A “failure to respond” termination during the redetermination process may be driven by administrative hurdles (i.e. not receiving required forms to current address, difficulty responding to additional documentation requirements), or housing insecurity – namely showing how the system is failing to meet families’ needs given their circumstances. Moreover, only a *very small fraction of children with coverage gaps are terminated due to income ineligibility.*

***Continuous coverage is foundational to healthy early childhood development.*** Cycling on and off health insurance coverage—or churning—is disruptive to continuity of health care, especially for young children.The first years of a child’s life is a paramount opportunity to set them up for healthy outcomes throughout their lifetime. Ninety percent of brain development occurs during the first five years, a time when the American Academy of Pediatrics recommends children receive 14 well-child visits to administer critical preventive care like immunizations and track developmental milestones. Ensuring continuous coverage without administrative hurdles can significantly contribute to improving continuity of care for young children. Additionally, continuous coverage reduces the risk of insurance disruptions due to procedural reasons.

***Access to primary care for Medi-Cal children is historically low and has worsened during the pandemic.*** A 2019 audit of Medi-Cal children’s primary care showed preventive care utilization for one-year olds was as low as 39 percent, and for two-year-olds, a dismal 24 percent. A DHCS preventive care report found that only 25 percent of children under age three in Medi-Cal managed care received necessary developmental screenings and only 26 percent received all their recommended well-child visits in the first 15 months of life.

During the COVID-19 pandemic, pediatric primary care dropped significantly and has not fully recovered. That means far more children missed their necessary well-child visits, screenings and vaccinations over the last two years. Historically, children of color are more likely to not receive the evaluations and services for which they are eligible. Children who experience gaps in their health coverage will fall even further behind.

**A continuous coverage policy for young children will protect them from losing coverage after the pandemic public health emergency ends.** Under the current national (PHE), all Medi-Cal enrollees have temporary continuous enrollment. However, this protection may expire sometime in 2022 as the PHE authority comes to an end. States will have to recheck eligibility for everyone enrolled in Medicaid including children. Many children are estimated to lose coverage during this PHE “unwinding” period, making it even more critical that California act to provide ongoing continuous coverage for young children.

**Reducing gaps in coverage could help meet DHCS’ “bold” quality goals.** DHCSrecently released its Comprehensive Quality Strategy which prioritizes children’s preventive care, including reducing racial and ethnic disparities in well-child visits, immunizations, and maternity care for Black and Native American people by 50% in just four years. Continuous coverage is a necessary tool for meeting the quality goals of improved preventive care rates. Health plans with continuously enrolled children are better able to ensure that children receive preventive care and, thus, meet quality metrics.

AB 2402 will address gaps in coverage and improve preventive care for California’s youngest children, setting them on a path of healthy childhood development. For these reasons, The Children’s Partnership proudly co-sponsors AB 2402 and urges an “Aye” vote on the measure.

Sincerely,

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Marya Alvarez

President, The Children’s Partnership

 Cc: Scott Bain, consultant, Assembly Health Committee