



Ohio Children's Hospital Association
Saving, protecting and enhancing children's lives

Nick Lashutka
President & CEO, Ohio Children's Hospital Association
Proponent Testimony before Ohio Senate Health Committee
HB 110 – As Passed by the House
Wednesday, May 5, 2021

Good morning Chairman Huffman, Vice Chair Antani, Ranking Member Antonio and members of the Ohio Senate Health Committee. My name is Nick Lashutka, and I am here to submit written testimony as a proponent to HB 110 as President & CEO of the Ohio Children's Hospital Association (OCHA).

Ohio has the world's best statewide network of children's hospitals – Akron Children's Hospital, Cincinnati Children's, Dayton Children's, Nationwide Children's Hospital, UH/Rainbow Babies & Children's Hospital and ProMedica Russell J. Ebeid Children's Hospital. Several of our institutions are ranked among U.S. News & World Report's best children's hospitals, and all our members are ranked best in class in the nation in various aspects of pediatric care. Ohio is the only state in the nation with a flagship children's hospital within a two-hour drive of every family, including our most rural parts of the state.

All our members are members of the Ohio Hospital Association (OHA) and we partner very closely with OHA on issues affecting the hospital industry and specifically about policies affecting children's health and health care.

Ohio's children's hospitals are also significant employers. Our six hospitals employ 40,000 Ohioans, providing good paying, high quality jobs and serving as economic engines for our communities throughout Ohio. Our researchers and medical professionals are leading the nation in health care innovation, pediatric research, and quality and patient safety initiatives.

House Bill 110 is a continuation of the investments for kids that were prioritized through the previous General Assembly. We are grateful for the Governor's long-term vision for Ohio that recognizes the future health of our state depends on how we care for our most precious asset – our children and future workforce.

This budget maintains stable, predictable, and adequate funding for Medicaid at a time when those who serve our highest risk citizens need it most. It maintains important supports for multi-system youth and their families, a focused attention on kids with complex behavioral health needs, as well as lead testing and abatement. It continues Comprehensive Primary Care (CPC) and CPC for Kids, further promoting quality and value. Importantly, this budget also continues support for telehealth services, which has been a life-saving tool over the past year.

As we mitigate the impact of the last year, maintaining a foundation of support for kids is paramount to ensuring Ohio's recovery and we ask for this committee to back the continuation of these investments as you consider HB 110.

Ohio Children's Hospitals & COVID-19

The pandemic has had an enormous effect on all of us, and kids have not been excluded. In the early stages of virus' presence in Ohio, our clinical research leaders teamed up to review and share data with the goal of better capturing the presence of coronavirus in kids being cared for by our hospitals. This ongoing effort fortunately confirmed the large majority of children have mild symptoms or are entirely asymptomatic when testing positive. For the small percentage who present themselves with more serious symptoms, our hospitals are on the frontlines responding to their care while also studying the Multisystem Inflammatory Syndrome in Children (MIS-C) – a rare condition we are seeing in kids and teens associated with COVID-19.

While non-emergent services and procedures resumed May 1, 2020, all our service lines remain at lower levels than the previous year, with two notable exceptions: behavioral health and telehealth. We would celebrate this fact if it meant kids in Ohio were healthier, but we know this is not the case. Immunization and dental rates have dropped dramatically, behavioral health needs are skyrocketing, and children are showing up in our hospitals with more acute needs due to delayed care.

Our six members alone accrued over \$640M in lost revenue in 2020 due to the pandemic – a number that continues to grow. Telehealth has been a critical tool in ensuring we can continue access to care, but we remain concerned about the long-term effects of children not obtaining critical, ongoing preventative services with their medical home.

Importance of Medicaid & CHIP to Children and Pediatric Providers

Stable, Predictable & Adequate Medicaid Funding: Stable, predictable, and adequate funding mechanisms for children's health and children's health care in our state are mission-critical to our ability to continue to provide better outcomes and make important investments upstream in the health care delivery system in social determinants of health and population health initiatives.

- All 2.5 million Ohio children receive the highest quality care in our hospitals when needed, regardless of their family's ability to pay – including the more than 1.25 million children enrolled in Ohio Medicaid.
- Over half of the patients served by Ohio's children's hospitals (54%) rely on Medicaid for their insurance coverage, by far the highest share of Medicaid patients of any hospital type.
- Ohio Children and Medicaid Coverage Facts: *please see attached graphic*
- Medicaid Hospital Shortfall: Medicaid reimbursement does not cover the costs of providing care to the children we are privileged to serve. According to the most recent data available, the gap between Medicaid payments and the cost to provide that care for our members totaled over \$576 million in 2020, which is 25% below cost despite the benefit of supplemental payment programs.

Behavioral Health

As mentioned earlier, one of the few areas where children's hospitals are seeing an increase in services is within behavioral health. According to the CDC, from April through October 2020, there has been a 24% increase in mental health emergency room visits for children age 5 to 11 and a 31% increase for children age 11 to 17 across the country. The behavioral health crisis was on the rise before COVID-19, and children's hospitals have worked hard to

support families to seek care at appropriate facilities outside of the emergency department, when possible. However, we know the ripple effects of the pandemic have accelerated the mental, emotional, and behavioral needs for children of all ages.

We thank the legislature for its support of HB 12 in the last General Assembly, which established a Children's Behavioral Health Prevention Network. This group is focused on the mental, emotional, and behavioral health needs of younger children, specifically through age 9, and has been a helpful tool promoting stakeholders from across the state to come together and share best practices for prevention and early intervention.

In addition, our six children's hospitals have collaborated through an initiative to promote the Zero Suicide framework throughout our hospitals. Dedicated to patient & employee/staff safety, children's hospitals are also working towards providing better quality care for those at risk for suicide, with the goal of eliminating suicides in youth age 11-18. This effort is also being extended through a community initiative in partnership with the Ohio Department of Mental Health & Addiction Services.

Ohio Children's Hospitals Solutions for Patient Safety (SPS) – *please see attached graphic*

Ohio's children's hospitals have a long history of commitment to patient safety beyond behavioral health. In addition to being President & CEO of OCHA, I also have the privilege of serving as President of SPS which includes our six-member OCHA hospitals plus the Cleveland Clinic Children's Hospital and Mercy Children's Hospital in Toledo. SPS is the national leader in pediatric patient & employee/staff safety. By partnering with Ohio's business community and specifically the Ohio Business Roundtable, we have brought the rigor of High Reliability Organizations into the health care setting and made a commitment to eliminate serious harm in our hospitals.

SPS is one example of the incredible power of Ohio's children's hospitals – in just over ten years our efforts have saved over 18,000 children from serious harm. Additionally, we have saved more than \$420 million – costs that would have been associated with this harm had it not been prevented. This national effort consists of over 140 children's hospitals in North America, attracting international interest and support. It all began right here in Ohio.

The version of HB 110, as passed by the House, continues the important investments in Ohio children made by the Ohio General Assembly in the previous state budget and ensures Ohio's children have access to critical services and the high-quality health care they need to thrive.

In closing, we are proud of our collaboration with our patients, families and communities to provide the right care in the right place at the right time efficiently and effectively. We look forward to working with legislative leadership and the DeWine Administration to continue to raise child health outcomes in Ohio. Thank you as always for your time.

OHIO'S CHILDREN AND MEDICAID COVERAGE: THE FACTS



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Medicaid is the single most important public policy issue affecting the stability of children's healthcare access and coverage in Ohio.

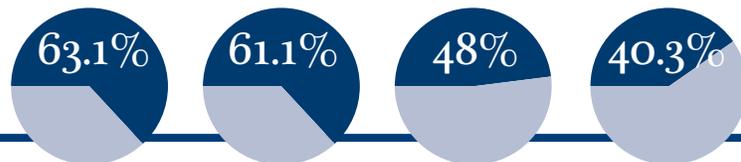
HEALTH CARE FOR CHILDREN IS A **GOOD** INVESTMENT:

- Children make up 41% of enrollees in Ohio's Medicaid program, and yet account for just 14% of the cost.¹
- Medicaid expenditures for children in Ohio are 47th in the nation and 20% below the national average (CFC costs).

OHIO CHILDREN FROM EVERY CORNER OF THE STATE **RELY ON** **MEDICAID** FOR HEALTH CARE COVERAGE:

- 1.25 million¹ children rely on Medicaid for healthcare coverage. This is nearly half of Ohio's 2.6 million children^{2, 11}
- More than half of the patients in children's hospitals rely on Medicaid for health care coverage – 54% of all patients who receive care in children's hospitals have Medicaid for insurance.⁶
- Black children account for 14.2% of the total child population, but 25.6% of Medicaid.¹¹
- Latino children make up 6.1% of the total child population, but account for 8.8% of Medicaid.¹¹
- Medicaid covers all youth in foster care – many of whom are displaced due to the opioid epidemic.⁷
- Medicaid significantly impacts every area of Ohio – from the most rural areas to the most populated urban areas. The following is a breakdown of percentages of Ohio children enrolled in Medicaid by county type.⁴

APPALACHIA METRO RURAL SUBURBAN



MEDICAID COVERAGE IS **CRITICAL** TO CHILD **HEALTH & WELLNESS** IN OHIO:

Access to essential healthcare services for all Ohio kids helps to ensure they grow up as healthy, productive adults. Adequate, stable, predictable funding for children covered by Ohio Medicaid is critical to the health of our children, our future workforce and the long-term vitality of our state.

By enrolling eligible children in Medicaid early in childhood, Ohio can help them have healthier lives in youth and adulthood. Consider that children who are enrolled in Medicaid early in life³:

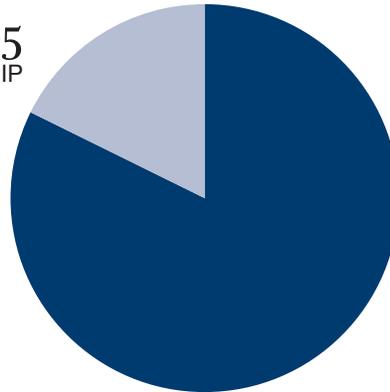
- Do better in school: better reading test scores in the 4th and 8th grades, better attendance rates, and decreased high school dropout and increased college attendance and completion.
- Grow up to be healthier as adults: lower rates of high blood pressure, type 2 diabetes, heart disease or heart attack, and obesity.
- Grow up to be adults who earn higher wages and pay more in taxes.

IMPORTANT FACTS

ABOUT OTHER TYPES OF HEALTH CARE COVERAGE FOR OHIO'S CHILDREN:

- **Adult Medicaid Expansion (to 138% of poverty) did not benefit Ohio children. Less than 1% of Ohio children receive coverage from Medicaid Expansion.⁸** Prior to adult Medicaid expansion, Ohio children were already eligible up to 206% of the Federal Poverty Limit (FPL), and children's hospitals sought to aggressively enroll eligible children and families to ensure they had the coverage they needed.
- While the rate has recently increased, **Ohio's uninsured rate for kids, at 4.5% or approximately 131,000 children, remains below the national average.** A good portion of these children are eligible for Medicaid or CHIP but are not currently enrolled.¹⁰
- The Federal Children's Health Insurance Program (CHIP) is critical to ensuring kids in families that earn too much money to qualify for Medicaid but not enough to buy private insurance receive coverage. In Ohio, the CHIP program is run in combination with the state's Medicaid program.⁹

196,895
Children with CHIP



1,053,263
Children with Medicaid ONLY

¹Average number based on state Medicaid reports for SFY21.

²<https://datacenter.kidscount.org/data/tables/7190-child-population#detailed/2/any/false/1729,37,871,870,573,869,36,868,867,133/any/15123>

³<http://ccf.georgetown.edu/2017/04/19/snapshot-source-2/>

⁴2017, Ohio Kids Count, Children's Defense Fund – Ohio

⁵Sellers Dorsey: Medicaid 1010 and Options for Improving Medicaid Coverage for Young Children, March 18, 2019

⁶OCHA Members, self-reported

⁷Ohio Medicaid

⁸SFY 2016 Medicaid Snapshot, Ohio Department of Medicaid

⁹<http://medicaid.ohio.gov/Portals/0/Resources/Reports/Caseload/2018/05-Caseload.pdf>

¹⁰https://ccf.georgetown.edu/wp-content/uploads/2018/11/UninsuredKids2018_Final_asof1128743pm.pdf

¹¹Snapshot of Children with Medicaid by Race and Ethnicity, 2018, Georgetown.edu



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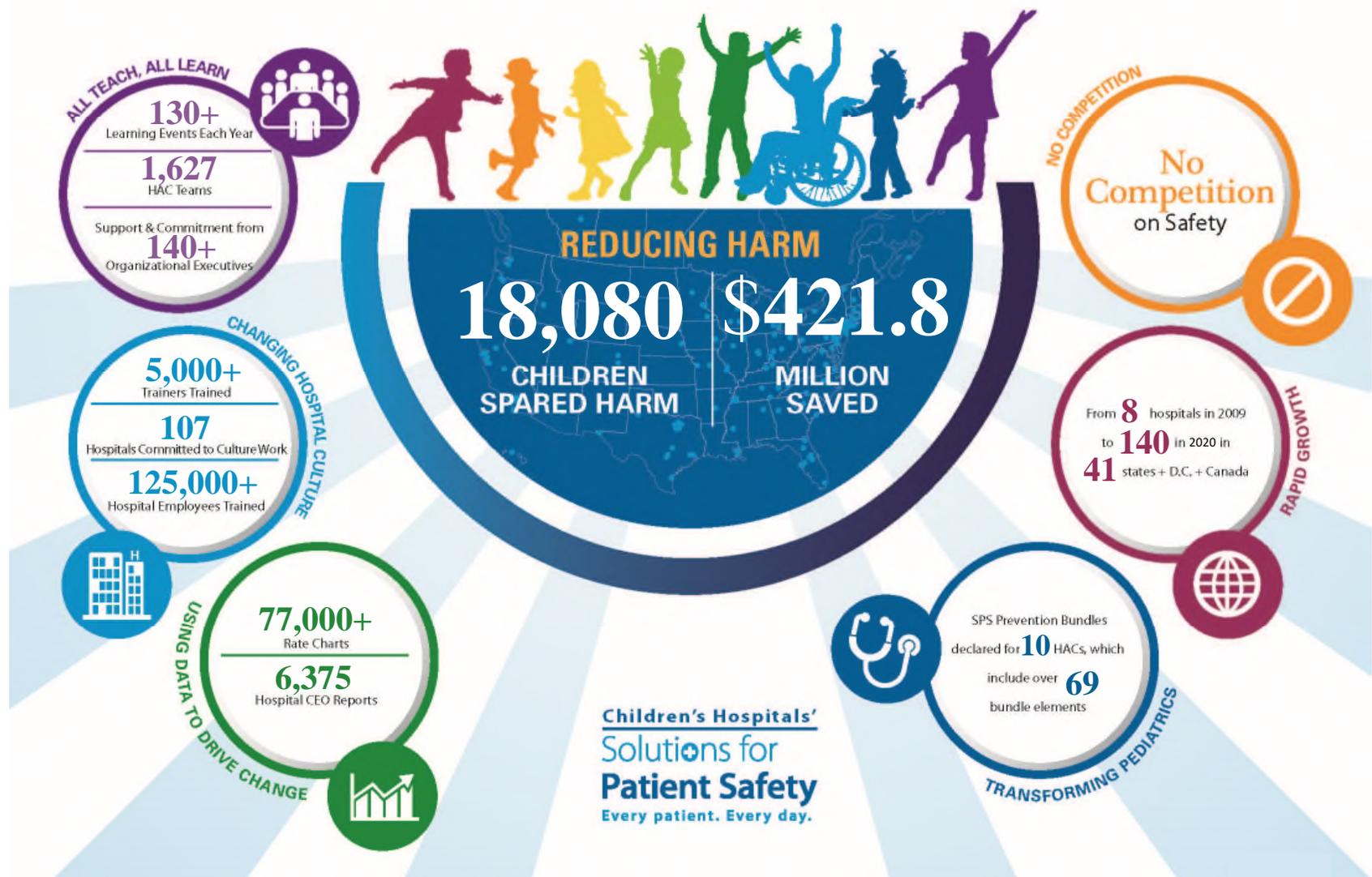
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REDUCING HARM

18,080 | \$421.8

CHILDREN SPARED HARM

MILLION SAVED

NO COMPETITION

No Competition on Safety



RAPID GROWTH

From 8 hospitals in 2009 to 140 in 2020 in 41 states + D.C. + Canada



SPS Prevention Bundles declared for 10 HACs, which include over 69 bundle elements

TRANSFORMING PEDIATRICS

Children's Hospitals' Solutions for Patient Safety
Every patient. Every day.