

August 19, 2005

The Honorable Heather Wilson
U.S. House of Representatives
318 Cannon House Office Building
Washington, DC 20515-3101

Dear Congresswoman Wilson:

The Child Welfare League of America's (CWLA) nearly 900 public and private child-serving agencies across the country are deeply concerned about a legislative proposal sent to Congress by U.S. Department of Health and Human Services Secretary Michael Leavitt on August 5, regarding changes to the Medicaid program.

In April, you signed a letter to the House Budget Committee opposing the proposed cuts that had been included in an earlier budget resolution. In the letter, you expressed concern that reductions in Medicaid would negatively impact on people who depend on the program. The legislative language submitted to Congress by Secretary Leavitt included three proposed changes that will restrict access to needed medical and mental health care to over 800,000 children in the child welfare system.

The Administration proposes severely curtailing the use of targeted case management (TCM) to children in the child welfare system, as well as severely limiting access to rehabilitative services. We hope you share our concern about how devastating this will be for these children, including many foster children. Consider these facts:

- ?? Eighty percent of children involved with child welfare agencies have emotional or behavioral disorders, developmental delays, or other issues requiring mental health interventions.
- ?? Foster children account for 28% of all Medicaid expenditures on inpatient psychiatric services.
- ?? Foster children represent 15% of expenditures for TCM services and 13% of rehabilitative services.
- ?? When children are enrolled in TCM through Medicaid they receive greater access to physician's services, prescription drugs, dental care, rehabilitative services, and psychiatric care than those children not enrolled in targeted case management.

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Despite these facts, the Administration has proposed legislation that would deny both TCM and rehabilitative services to children in child welfare under the argument that states could cover it in other ways, such as through Title IV-E Foster Care and Adoption Assistance, the Social Services Block Grant (SSBG), or the TANF block grant. In reality, they cannot. Title IV-E now covers less than half the children in foster care. TANF or other funds such as the SSBG are funding other services for other populations and in many states these funds are not even available to abused and neglected children. Denying Medicaid coverage for TCM and rehabilitative services would force states to spend millions of additional state dollars for services to these children—if state funds are available.

CWLA hopes you will reject this proposed language unequivocally. In the April letter you called for removing budget reductions in Medicaid from the reconciliation. We urge you to do so again. We need to strengthen and reform our child welfare system and provide greater access to prevention and support services. Denying access to both basic and mental health services by restricting Medicaid is a proposal that goes in the opposite direction.

We look forward to working with you in rejecting these proposals and finding a better way to serve children who have been abused or neglected or are involved with the child welfare system.

Sincerely,



Shay Bilchik
President/CEO

Enclosure