



Children's health care missing the mark

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EPSDT¹ is a program created to help children deal with health issues – youngsters who in most cases desperately need health care. Private Duty Nurse Services under the EPSDT program are paid primarily out of the *Clinic* line item of service. As such, the budget is based on actual utilization and costs which are then projected forward using the most recent trends. But the budget appears to be based on an invalid process. Since the budget is based on historical expenditures, it is based on the percentage of hours paid at LPN and RN rates and further based on what was able to be delivered, not approved to be delivered.

Currently in New Jersey, we have approximately 260 children under this program. Collectively, based on 8-16 hours of service per day, the state has approved under the EPSDT program, 726,000 hours of service to premature or disabled children who meet the criteria for approval. In general, many are youngsters who have had a tracheotomy (a surgical procedure to place an opening in the windpipe) because they require long-term support with a breathing machine (ventilator) or are youngsters who have uncontrollable seizures.

The services of the nurse are provided by highly skilled LPNs and RNs who are specialized in Pediatric care. Many times, care of these children are interchanged between the RN and LPN due to the shortage of these nurses. The care may be required for short-term or may be needed for several years. The parents are expected to participate and even though many of the parents work 2 jobs, none of these children are ever allowed 24-hour a day service through the EPSDT program.

These children often come home from the hospital under a family insurance plan, however the care the child is receiving is eventually considered *custodial care*² and the family plan soon drops the child's care – the termination is often not triggered by an acute episode, even though there is highly technical care needed – however because of the restructuring as independent of their families it moves them into Medicaid eligibility.

¹ The Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) service is Medicaid's comprehensive and preventive child health program for individuals under the age of 21. EPSDT was defined by law as part of the Omnibus Budget Reconciliation Act of 1989 (OBRA '89) legislation. It consists of two mutually supportive, operational components:

- 1. Assuring the availability and accessibility of required health care resources; and**
- 2. Helping Medicaid recipients and their parents or guardians effectively use these resources.**

These components enable Medicaid agencies to manage a comprehensive child health program of prevention and treatment, to seek out eligible families and inform them of the benefits of prevention and the health services and assistance available and to help them use health resources, including their own talents and knowledge, effectively and efficiently.

² Most public long-term care (LTC) programs such as Medicaid cover custodial care as long as it is provided within a nursing facility. Custodial care at home is typically covered only under LTC insurance - not by Medicaid - even though home care is cheaper than a nursing facility. Medicare, on the other hand, covers only medically necessary, skilled care and will cover at-home custodial care only if it is provided in conjunction with skilled care.

In 2006 the number of hours approved for EPSDT was 726,000 hours, however it is observed that of that number and the necessary funds set aside, only 490,000 hours were actually used (67%) - leaving 33% of services for these approved youngsters going unused.

That 33% percent is due to a Nursing shortage and the Medicaid reimbursement rates are not competitive with hospitals or insurance companies who pay well – once the youngster is referred to the State the payable rates often drop as much as \$15 per hour. With reimbursement rates below competitive rates from other payer sources like insurance companies, it is difficult to maintain staff to care for these critical children. Nurses may not be willing to take a decrease in pay, therefore will leave the cases which create unfilled hours.

The conundrum in a country where “family values” are said to be the standard, a system has been created that, in fact, drives families apart. Because of the void in nursing availability in the EPSDT program the family needs to care for these youngsters in conjunction with the nurses, aides and therapists, but critical kids who are in and out of the hospitals with constant respiratory problems put an inordinate amount of pressure on the family unit. This creates untenable marital situations, parents who may need to leave their job to stay home and children who may not receive consistent, skilled services.

Four million dollars is needed to fill the gap – \$2,000,000 from New Jersey and \$2,000,000 as a Federal match to insure that the approved hours for EPSDT are actually fulfilled. The Home Care Industry in New Jersey needs to be able to insure that nurses will be paid fairly, children who need on-going care will get it and families will be able to once again live as families. The four million dollars will allow agencies to place nurses in homes at a competitive pay rate. A simple uniform rate of \$40 per hour will allow for staffing patterns based on nurse’s availability and skill sets.