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September 09, 2024

The Honorable Chiquita Brooks-LaSure  
Administrator  
Centers for Medicare and Medicaid Services  
U.S. Department of Health and Human Services  
200 Independence Avenue SW  
Washington, DC 20201  
Attention: CMS-1809-P

**RE: Medicare and Medicaid Programs: Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems; Quality Reporting Programs, Including the Hospital Inpatient Quality Reporting Program; Health and Safety Standards for Obstetrical Services in Hospitals and Critical Access Hospitals; Prior Authorization; Requests for Information; Medicaid and CHIP Continuous Eligibility; Medicaid Clinic Services Four Walls Exceptions; Individuals Currently or Formerly in Custody of Penal Authorities; Revision to Medicare Special Enrollment Period for Formerly Incarcerated Individuals; and All-Inclusive Rate Add-On Payment for High-Cost Drugs Provided by Indian Health Service and Tribal Facilities**

On behalf of more than 200 children's hospitals across the country, the Children's Hospital Association (CHA) appreciates the opportunity to provide comments on the Hospital Outpatient Prospective Payment System and the Ambulatory Surgical Center Payment System. Medicare changes often have a downstream effect on the Medicaid program, which is a critical source of coverage for children, as well as influencing commercial insurance. In addition, the Medicaid policies proposed in this rule will impact children's hospitals and the children they serve. Therefore, we appreciate the opportunity to provide comments on this proposed rule.

Children's hospitals are dedicated to the health and well-being of our nation's children. Children's hospitals advance child health through innovations in the quality, cost and delivery of pediatric care—regardless of payer—and serve as a vital safety net for uninsured, underinsured and publicly insured children. We are regional centers for children's health, providing highly specialized pediatric care across large geographic areas. Although they account for less than 5% of hospitals in the United States, children's hospitals care for almost one-half of children admitted to hospitals and serve the majority of children with serious illnesses and complex chronic conditions.

While Medicare is an important source of coverage, Medicaid is the backbone of coverage for children in the United States. Children represent nearly half of all enrollees in the Medicaid program, with approximately 35 million children receiving their health care coverage through Medicaid at some point during a year. Children's hospitals are major Medicaid providers, accounting for 45% of all hospital days for all children on Medicaid and provide highly specialized and complex care to many children with special health care needs. Medicaid is a lifeline for children, providing affordable coverage with pediatric-appropriate benefits for children in low-income families. Therefore, the Medicaid policies within this proposed rule are significant for children's health and children's hospitals.

Our comments highlight the following:

- We support codifying the requirement for states to provide 12 months of continuous eligibility for children under the age of 19 enrolled in Medicaid and CHIP, as required by the Consolidated Appropriations Act (CAA) of 2023.

- We support the proposal to remove the option for states to disenroll children from CHIP during a continuous eligibility period for failure to pay premiums.

Our detailed comments are below.

### **Requirement for States to Provide 12-months of Continuous Eligibility for Children Enrolled in Medicaid and CHIP**

We support CMS codifying the requirement for states to provide 12 months of continuous eligibility for children under the age of 19 enrolled in Medicaid and CHIP, as required by the CAA, 2023. This policy is critical in maintaining continuity of coverage and access to care for children covered by Medicaid and CHIP.

Children in states that did not have 12-month continuous eligibility prior to this requirement were at risk of losing their Medicaid or CHIP coverage, despite them being eligible, because of inefficient and cumbersome paperwork and reporting requirements. These coverage disruptions can have a significant negative impact on children's continuity of health care and therefore affect their health status. Disruptions in coverage and care are particularly problematic for children with complex medical conditions, for whom disruptions to care could be catastrophic to long-term development and health. The requirement for states to provide 12-month continuous coverage will dramatically improve continuity of coverage and care for these children. This continued coverage is essential to ensuring that all of children's medical needs are met—from preventive care to specialty care—to ensure they have the best health outcomes possible.

In addition, this policy will alleviate the administrative burden for hospital staff that enroll children in Medicaid and CHIP. As previously mentioned, children's hospitals are major Medicaid providers and have staff dedicated to checking Medicaid and CHIP eligibility for uninsured children who come into the hospital for care. With less children being improperly disenrolled from coverage, there will be less burden on hospital staff that would otherwise have to restart the enrollment process for children who are still in fact eligible for coverage.

### **Removal of the Option to Disenroll Children from CHIP for Failure to Pay Premiums**

We support CMS' proposal to remove the option for states to disenroll children from CHIP during a continuous eligibility period for failure to pay premiums. Paying premiums month-to-month can be especially difficult for families enduring financial hardships. The risk of CHIP coverage being terminated due to failure to pay premiums puts CHIP-eligible children at risk of losing their coverage and ultimately, their access to care. Coverage termination is even more critical for children with complex health conditions, many of whom children's hospitals care for, who require more frequent care. This proposal to remove this state option is integral in maintaining consistent coverage and access to care for all children enrolled in CHIP. In addition, as mentioned previously, this policy will also reduce the administrative burden that children's hospitals bear when re-enrolling disenrolled children back on CHIP coverage.

We thank you for the opportunity to provide comments and look forward to continuing to work with you to improve children's health care. Please contact Milena Berhane at [milena.berhane@childrenshospitals.org](mailto:milena.berhane@childrenshospitals.org) (202)753-5521 should you need more information.

Sincerely,



Aimee Ossman  
Vice President, Policy  
Children's Hospital Association