Guest Commentary

HHS to partner with pediatricians as Medicaid payments increase

by Kathleen Sebelius, Secretary, U.S. Department of Health and Human Services

From the earliest public debates about the Affordable Care Act to our current efforts implementing the law, pediatricians have played a critical role in shaping the health care law.

Thanks in part to the guidance and leadership of pediatricians across the country, the 2010 health care law has made an unprecedented investment in children's health. For example, today health insurance companies no longer can impose lifetime dollar limits on children's benefits or refuse to cover children with pre-existing conditions. Bright Futures, or recommended preventive services, for children are covered with no co-pays or deductibles for families with private insurance. And families can designate a pediatrician as their primary care provider in covered plans. These protections have been in effect for more than two years, and they are making an enormous difference in the lives of millions of children and families.

This month another provision of the law takes effect that will improve access to care for children covered by Medicaid. On Jan. 1, the federal government will begin to fund a two-year increase in Medicaid payment rates for certain primary care and immunization services. That's good news for the children who make up more than half of our country's Medicaid recipients — and also for the pediatricians who serve more Medicaid patients than any other group of primary care providers.

The policy works by setting a floor on Medicaid payments for covered primary care services that is equal to the Medicare payment level that would apply. Our goal is to support pediatricians like you to continue providing checkups, preventive screenings, vaccines and other primary care services to children, especially the most vulnerable.

The increased payment rates will translate into significant increases in income. For many pediatricians serving Medicaid patients, earnings will increase by tens of thousands of dollars, and for substantial numbers of pediatricians, the increase will be even larger.

Last November, we released final rules on the Medicaid payment increase after gathering input from community leaders, patient advocates and medical organizations like the AAP. For example, recognizing that pediatric subspecialists often provide primary care services to children, we have extended payment increases to many pediatric subspecialists. We've also put in place a process to increase payment for specific children's services not covered by Medicare.

We're also looking ahead to 2014 when states can expand their Medicaid programs to uninsured adults with incomes below 133% of the federal poverty level, or about $15,000 for an individual and $31,000 for a family of four, based on 2012 guidelines. America's pediatricians can play an important role by speaking up for a strong and effective Medicaid program in every state.

From your examining rooms to the halls of our nation's Capitol, America's pediatricians have always been a vital voice for children. I look forward to partnering with the American Academy of Pediatrics as we implement this month's new provision of the Affordable Care Act and take another step to improve access to primary care services for children.

Our work together is far from over, and I have no doubt that we will continue to accomplish great things for our nation's children.