



January 11, 2012

Commissioner David C. Cook
Georgia Department of Community Health
2 Peachtree Street, N.W.
Atlanta, Georgia 30303

Dear Commissioner Cook:

On behalf of Voices for Georgia's Children and Georgians for a Healthy Future, we are pleased to submit the attached report, which we hope the Department of Community Health will consider as it pursues the current redesign of Georgia's Medicaid and PeachCare for Kids programs.

The report, titled "Modernizing Medicaid and PeachCare for Kids: Promising Program Design Options for Georgia's Children," was commissioned by our two organizations for the purpose of putting a special focus on opportunities to improve the provision of insurance coverage and healthcare services for the more than 1.4 million children currently covered under Medicaid and PeachCare, and the 244,000-plus others who remain uninsured in Georgia.

Even in these difficult times, we believe Georgia has significant opportunities to make real progress in improving coverage, access and quality of medical care for the state's neediest children. Measures implemented in other states make it clear that Georgia can greatly increase the number of children covered under PeachCare, even as we trim administrative costs and improve quality outcomes. In the Southeast alone, Alabama and Louisiana have paved the way with initiatives that have yielded impressive results.

As documented in our study, which was conducted by Kellenberg Consulting LLC, Alabama has been particularly aggressive – and successful – in taking steps to expand coverage to children under the Children's Health Insurance Program Reauthorization Act of 2009. In 2010, Alabama exceeded its enrollment target by nearly 133,000 children; today, 94 percent of all Alabama children have health coverage. As a result of Alabama's success in providing coverage to the vast majority of its children, it has received more than \$114 million in performance bonuses from the federal government. Georgia, as you no doubt realize, has received only \$4.9 million.

Similarly, Louisiana has made significant strides by streamlining its enrollment procedures and transitioning to technology systems that allow data sharing between Medicaid and other public assistance programs. This system enabled the Louisiana Department of Health and Hospitals to enroll more than 10,000 children the month after the program was launched, and within a few months that number reached 14,000. Our study found that more than 30 percent of newly enrolled children in the Louisiana program have already used their coverage to obtain care, particularly dental services and prescription drugs.

Our report details these and other promising initiatives that are helping to expand coverage and improve care to children in other states throughout the country. It also sets out specific recommendations for simplifying eligibility processes for children; improving children's access to specialty care; modernizing medical home models; strengthening contract standards to hold providers and care management organizations more accountable, and pursuing public and private grants to provide technical assistance and financing needed to achieve program goals.

Beyond near-term improvements to the health of Georgia's children, we emphasize the economic implications inherent in these issues. A failure to expand coverage and care to current generations of children will no doubt mean the state (including its private sector) will face ever higher healthcare costs as these children grow to adulthood. By taking preventive action now to improve the health of Georgia's children, the state should be able to at least slow the growth of its healthcare costs. The kinds of initiatives we are recommending are not just good health policy; they're the foundation of good economic development strategy as well.

Georgia has made admirable progress in many ways in recent years, and we applaud the initiative shown by undertaking a wide-ranging Medicaid and PeachCare redesign process. Our hope is that our report will contribute to that process and further a productive dialogue between the state and the health advocacy community.

Thank you for your time and consideration. We look forward to discussing our report with you.

Sincerely,



Pat Willis
Executive Director, Voices for Georgia's Children



Cindy Zeldin
Executive Director, Georgians for a Healthy Future

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Deputy Commissioner

Jerry Dubberly
Division Chief, Medicaid Division

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