



# In the Literature

## MEDICAID: HEALTH PROMOTION AND DISEASE PREVENTION FOR SCHOOL READINESS

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The debate in Congress over the State Children's Health Insurance Program—set to expire in September 2007—has brought children's health coverage to the forefront of the political agenda. In "[Medicaid: Health Promotion and Disease Prevention for School Readiness](#)," (*Health Affairs*, March/April 2007), The Commonwealth Fund's Edward L. Schor, M.D., Melinda K. Abrams, M.S., and Katherine Shea provide a timely reminder that health care services for children, including preventive and developmental services, are a smart investment for society.

Focusing on the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) program—the child health portion of Medicaid—Schor and his coauthors discuss the importance of health promotion, disease prevention, and developmental services in preparing young children for success in school and later in life. They also recommend actions that the federal government and the states can take to ensure that public insurance programs covering disadvantaged children promote optimal health and development. Health insurance coverage for children should promote healthy development, not just treat illness, the authors say.

### Why Are Health Services for Young Children Important?

Young children from low-income families are vulnerable to poor health and developmental outcomes, low educational attainment and productivity, and social dependence throughout their lives. Poor health, especially when it limits function, is

associated with diminished academic performance, the authors note. By kindergarten, the educational achievement gap between children from poor families and children from more affluent families is already present, and only widens in later grades. Noting extensive research demonstrating the importance of preventive care during the early years, the authors say "assuring that young children and their families have access to resources and services that can provide early health and development is likely to pay large dividends over the life course."

### How EPSDT Helps

EPSDT serves low-income children, who are known to be at high risk for poor health and developmental outcomes. Comprehensive and forward-thinking by design, the program focuses on children's current needs—physical, cognitive, social, and emotional—and future health. EPSDT services are specifically structured, the authors note, to promote children's healthy development during the first five years of life—that is, prior to school entry.

EPSDT's core benefits map to desired outcomes. For instance, periodic and as-needed screening services are intended to detect developmental delays, while anticipatory guidance is designed to helping parents meet children's needs. "It is apparent that achieving each of these outcomes, and consequently achieving school readiness, requires the provision of one or more EPSDT services and that detection without treatment is incomplete care and cannot meet children's needs," the authors write.

Because it is designed for children, EPSDT applies a different standard of care than private insurers typically use. Under this “preventive standard,” treatment is necessary not when a child is seriously ill but when early intervention can prevent the onset or worsening of a disabling condition.

Children receive services during an established schedule of well-child visits but can also receive services between visits. This flexibility recognizes the diversity among young children and the challenges of detecting subtle problems. EPSDT also emphasizes care coordination and case management.

### **Recommendations for Medicaid Reform**

Urging that more attention be paid to the content and quality of child health coverage, the authors cite the shortcomings of private insurance plans serving Medicaid and other low-income children:

- The typical private sector insurance plans offer benefit packages (or “benchmark plans”) that are not designed for children, especially low-income children.
- Some models effectively make preventive health care something families must pay for out-of-pocket, which may encourage some to forgo services.
- EPSDT’s case management service is particularly valuable for children with complex health and developmental problems and limited resources. Recent legislation expands the definition of this benefit without clarifying what Medicaid will cover. There is concern that states may lose access to federal Medicaid dollars supporting case management.
- The quality of preventive pediatric care varies and often does not meet care standards or the needs of children and families.

The authors recommend that state EPSDT programs ensure that covered services, at a minimum, conform

to American Academy of Pediatrics recommendations; that benchmark packages be supplemented with wraparound benefits to meet children’s developmental needs; that states and communities create integrated systems of early childhood services that include professionals outside the health sector, like educators and social workers; and that states work to promote improvements in the quality of preventive pediatric care. Moreover, they urge federal Medicaid officials to encourage and support these efforts.

### **Conclusions**

Investing in comprehensive well-child care that identifies problems early and ensures treatment is wise, especially given the vulnerability of young children from low-income families, the authors write. They caution that national and state health policies should not lose sight of the essential role EPSDT plays in helping these children prepare for success in school and beyond. Any changes made to publicly funded child health programs should enhance this role by helping to ensure children have access to the high-quality preventive and developmental services they need to develop and become productive members of society.

### **Facts and Figures**

- Medicaid covers about one-quarter of all children; most are from low-income families and many have special health care needs.
- An estimated 12% to 16% of all children have developmental and behavioral disorders.
- Thirty-nine percent of young children enrolled in Medicaid are thought to be at risk for developmental, behavioral, or social delay.
- Children living in low-income households are more prone to poor health, due to greater difficulties accessing timely medical care and a higher risk of illness and accidents.