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**DRAFT**

Representative Curt Gielow  
Chair, Assembly Committee on Medicaid Reform  
Room 316 North, State Capitol  
Madison, WI 53703

Dear Representative Gielow:

On behalf of the Legislative Council's Special Committee on Adoption and Termination of Parental Rights, which I chair, I am writing to request your committee's review of several Medicaid issues that affect children in out-of-home care (e.g., foster care):

First, it is difficult for children on Medical Assistance (MA) to obtain access to psychiatric and dental services, due to the lack of MA-certified providers in this area. I am requesting that your committee examine ways to provide incentives for more psychiatrists and dentists to become MA providers.

Second, children on MA in out-of-home care could benefit from case management services due to the complexity of their needs and the number of providers involved with them. I am requesting that your committee investigate the availability of accessing MA funds to provide care coordination and case management services to these children.

Finally, I am requesting your committee's review of, and support for, an initiative contained in the Department of Health and Family Services (DHFS) 2005-07 Biennial Budget Request. This initiative would provide Medicaid coverage to youth leaving out-of-home care (e.g., foster care) until they reach age 21.

To provide some background, the Chafee Foster Care Independence Act of 1999 is federal legislation that allows states to provide various services for youths leaving out-of-home care. In Wisconsin, funds are allocated to counties and three tribes to provide services for children who have spent at least six months in out-of-home care after they turn age 15. Services provided include housing assistance, planning for financial well-being, involvement in employment or education-related activities, and assistance in gaining access to medical services.

The Chafee Act also provides states with the option of extending MA coverage for youth leaving out-of-home care. Currently in Wisconsin, children in out-of-home care are generally eligible for MA until reaching age 18. In the DHFS 2005-07 Biennial Budget Request submitted to the Governor on September 15, 2004, DHFS proposed providing MA coverage for youths leaving out-of-home care. The DHFS requests \$374,100 GPR and \$463,900 FED in fiscal year 2006 and \$1,085,800 GPR and \$1,476,100 FED in fiscal year 2007 to phase in an expansion of MA eligibility to youths who age out of out-of-home care. Under this proposal, starting January 1, 2006 MA coverage would be expanded to all eligible youths who are 18 or 19, and coverage would be further expanded to include 20-year olds in fiscal year 2007.

Based on studies conducted in Wisconsin and other midwestern states, it has been documented that children and youth in out-of-home care have higher than average health care needs particularly in the areas of mental health, chronic recurrent diseases, and substance abuse. [See Courtney, Mark E.; Terao, Sherri; and Bost, Noel; *Midwest Evaluation of the Adult Functioning of Former Foster Youth: Conditions of Youth Preparing to Leave State Care (Executive Summary)*; Chapin Hall Center for Children at the University of Chicago; 2004.]

In the narrative accompanying this budget request, DHFS states:

Extended MA eligibility could reduce future health care costs by limiting breaks in health care coverage, increasing preventative care and maintaining treatment regimens for chronic conditions. Additionally, extended MA eligibility could reduce long-term social costs by addressing mental health, and substance abuse issues before complications from these health problems negatively affect family relationships, productivity, and personal achievement. [DHFS 2005-07 Biennial Budget Request, pp. 33-34, dated September 15, 2004.]

The Special Committee reviewed this proposal, and the research supporting it, and determined that providing this MA extension for youth leaving out-of-home care would provide these youth with vital support as they transition to adulthood. The committee urges your committee's support of this proposal.

Thank you very much for your consideration.

Sincerely,

Representative Suzanne Jeskewitz  
Chair, Special Committee on Adoption and  
Termination of Parental Rights Law

SJ:tlu