



July 25, 2018

The Honorable John Cornyn
United State Senate
517 Hart Senate Office Bldg.
Washington, DC 20510

Dear Senator Cornyn:

The eight non-profit children's health system members of the Children's Hospital Association of Texas (CHAT) would like to thank you for your continued leadership on important issues that impact the health of children.

We write today to express unified support of the Advancing Care for Exceptional Kids Act of 2017 ("ACE Kids Act," S. 428, Grassley/Bennet). The Act is designed to improve care for children with medical complexity who are enrolled in Medicaid, while also reducing program spending, two goals that we know you aspire to achieve. Multiple published studies show cost savings and improved quality of care for this population when enrolled in a coordinated care program like the one the ACE Kids Act would create.

Medicaid covers over 37 million children throughout the country and more than 3.1 million children in Texas. Approximately two million American children have complex medical conditions requiring ongoing and specialized care. These children account for 40 percent of Medicaid spending on children. The recently-revised ACE Kids Act addresses the sickest of these children, whom the large acute care children's hospitals in Texas serve. In fact, the eight CHAT members had more than 43,000 Medicaid inpatient discharges and almost 300,000 Medicaid days in 2016.

ACE Kids would be optional for states, providers, and families, thereby continuing local authority and autonomy. ACE Kids also works within the existing structure of a state's Medicaid program, including those states, like Texas, that have Medicaid managed care. The bill would allow for the creation of enhanced pediatric health homes and provide incentives for states to participate. These special pediatric health homes would be designed to serve children with medical complexity and be required to provide specific care and care coordination services tailored to the needs of this population.

Equally as important, the bill creates a national framework to improve data collection and quality of care. ACE Kids will also allow for better coordination of out-of-state care and spur innovation and the sharing of best practices between states. The ACE Kids Act can improve Medicaid for our most vulnerable children and reduce program spending.

The undersigned stand together in support of this important bill, and we urge your continued support of the legislation to help children and their families.

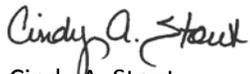
Sincerely,

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