

**TESTIMONY BEFORE THE BUDGET COMMITTEE ON HUMAN SERVICES  
MEDICAID WAIVER REQUEST FOR  
CHILDREN WITH EXTRAORDINARY HEALTHCARE NEEDS  
MARCH 9, 2006**

Chairman Dever, members of the committee, I am Maggie Anderson, Director of Medical Services for the Department of Human Services. I appear before you to provide information regarding the status of the Department's Medicaid waiver request to provide in-home service to children with extraordinary healthcare needs.

The 2005 Legislative Session passed Senate Bill 2395, which authorized the Department to pay for growth hormone treatment and medical food for children diagnosed with Russell-Silver Syndrome. This bill also directed the Department to apply for a waiver to provide in-home services to children with extraordinary medical needs.

In 2005, the Department convened a Medical Needs Task Force to assist in gathering information to better understand the unmet special health care needs of children and to provide recommendations regarding a Medicaid waiver for children with extraordinary medical needs. This group has met several times and the Department anticipates that future task force meetings will be held monthly until the waiver process is completed.

In addition, the Department staff received technical assistance from the Centers for Medicare and Medicaid Services (CMS) staff at an onsite visit, which focused on home and community-based services waivers. A prevalence study addressing children's mental health and medically fragile populations has also been initiated.

Within the Department, a team has been established to coordinate efforts for eventual submission of a waiver application to help children with extraordinary medical needs.

Many issues have surfaced during the meetings of the Medical Needs Task Force. In particular, the Katie Becket Eligibility Option has been discussed thoroughly. The Katie Beckett Option is an expansion of eligibility, which would need the approval of the Legislature. The Deficit Reduction Act of 2005 also contains a provision for an optional Medicaid Buy-In for disabled children with family incomes up to 300% of the Federal Poverty Level. This expansion would also need the approval of the Legislature.

The Department expects to submit a waiver application during 2006. Based on our understanding of SB 2395, we will be submitting a waiver, based on extraordinary medical needs, rather than expansion of eligibility categories.

The effective date of the waiver would be after the beginning of the next biennium as Senate Bill 2395 did not contain an appropriation for extra services or any potential reduction in recipient liability that would be covered in this waiver.

I would be happy to answer any questions you may have.