Testimony on behalf of the
March of Dimes
Submitted to the United States House of Representatives
Subcommittee on Health
Committee on Energy and Commerce

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"H.R. 2355: The Health Care Choice Act"

Tuesday, June 28, 2005

The March of Dimes Birth Defects Foundation is pleased to submit for record the following statement.

Established by President Franklin Roosevelt in 1938, the March of Dimes devoted its first 20 years to funding research that led to the prevention and treatment of polio. In 1955, when the Salk vaccine was declared "safe, effective, and potent," the Foundation turned its attention to improving the health of children by focusing on other major health threats including birth defects, prematurity and infant mortality. Central to this mission has been working to make health coverage accessible and affordable for women of childbearing age, infants and children.

The March of Dimes appreciates all attempts to make insurance more available and affordable to American families. Without adequate health insurance, pregnant women and children do not get the health care services they need. More specifically, uninsured pregnant women are more than twice as likely to report an unmet need for care than women with coverage. In fact, the Institute of Medicine has found that "uninsured women receive fewer prenatal services and report greater difficulty in obtaining needed care than women with insurance." With respect to children, IOM describes health insurance status as "the single most important influence in determining whether health care is accessible to children when they need it" and reports that uninsured children tend to receive care late in the development of a health condition, if they even receive care at all, and are at higher risk for avoidable and costly inpatient hospital stays. [1]

For many years, March of Dimes chapters across the nation have worked to improve access to health insurance that provides services of importance to women and children. In our view, all insurance – public or private – ought to cover maternity and pediatric benefits consistent with the Standards of Care set forth by the American Academy of Pediatrics and the American College of Obstetricians and Gynecologists (AAP/ACOG). This includes prenatal visits, labor and delivery, postpartum care, newborn care, immunizations, and specialty care for high-risk pregnant women, infants and children with special health care needs.

[1] Institute of Medicine (2002), *Health Insurance is a Family Matter*. Washington, DC: National Academies Press

Currently, thirteen states require some or all forms of private health insurance to include coverage of maternity care. (These states include California, Georgia, Illinois, Maine, Michigan, and New Jersey).[2] Elsewhere, families without group coverage have a difficult time obtaining health insurance that covers maternity benefits. Absent state requirements, standard maternity services generally are not included in health insurance policies sold to individuals. When available, coverage for prenatal care, labor, delivery and post-partum care tends to be expensive and available only as a separate rider. Moreover, coverage under such riders tends to be strictly limited, with separate and higher deductibles, low-dollar restrictions on benefits, and waiting periods.

March of Dimes chapters have also worked to obtain state requirements that ensure access to critical services for children that would otherwise be uncovered. These include, for example, treatment for infants with phenylketonuria (PKU), cleft-palate surgery, infant hearing screening, and well-child care. PKU is a metabolic birth defect which can lead to severe mental retardation unless detected soon after birth and treated with a special formula, coverage of which is required by 33 states. Infants and children in need of reconstructive surgery for cleft palate should have access to this critical corrective intervention that improves the child's ability to eat and speak. Early diagnosis of hearing loss helps prevent lifelong speech and language problems. Without early testing, most babies are not diagnosed until they are toddlers, resulting in delayed speech and language development. The American Academy of Pediatrics recommends a series of regular visits from birth through adolescence. These visits include physical examinations, developmental assessments, immunizations, and screening for various diseases and conditions. Regular visits permit detection and timely intervention to prevent and treat physical and developmental problems.

Our understanding is that H.R. 2355 would permit insurers licensed in one state (the "primary state") to sell coverage in any other state ("secondary states") under the rules of the primary state and without regard to any standards enacted in the secondary state, such as requirements for coverage of maternity and pediatric care. We have strong reservations about any proposal that would have the effect of putting at risk existing state coverage protections for pregnant women, infants and children. In our judgment, health insurers should not be allowed to sell coverage that excludes maternity and pediatric benefit protections approved by individual states. As illustrated by experience with maternity coverage in the individual insurance market, permitting exclusion of basic benefits can have the perverse result of making such benefits unaffordable or even unavailable.

As Congress considers various proposals to make health insurance coverage more accessible, it is important to maintain protections critical to the health of pregnant women, infants and young children. March of Dimes volunteers and staff across the country stand ready to work with you, Mr. Chairman, and members of this Subcommittee to develop and advance measures that truly improve access to comprehensive, affordable coverage for families and children, including those who rely on small businesses for their health coverage.

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[2] Institute for Health Policy Solutions, "Tax Credits for the Uninsured and Maternity Care", January 2004. http://www.marchofdimes.com/files/TaxCreditsJan2004.pdf