

ACTION ALERT: Copays for Services to Children with Disabilities



The Department of Public Welfare (DPW) has been instructed to **require certain families to pay copays for services provided under Medical Assistance to children with disabilities**. These copays will be for children under age 18, who qualify for Medical Assistance due to their disability and whose family income is more than 200% of the federal poverty level (\$44,700 for a family of 4). The copays are likely to start before July 2012 and probably much sooner. DPW has not yet decided how much the copays will be or how they will be paid. This gives families and providers an opportunity to comment on how the copays should work. Several advocacy and provider organizations have developed the following recommendations:

1. Out-of-pocket costs should be counted

Many families have high out of pocket expenses for their child with disabilities. These may be for therapists or other providers that don't accept insurance, for home modifications, equipment or for premiums to cover their child under their health insurance. Federal law limits the total amount of Medical Assistance copays for any family in a month or quarter to no more than 5% of their income.

DPW gets to decide how family income is counted. DPW should deduct out-of-pocket costs related to the child's disability or medical condition and/or the premium paid for covering the child under the parent's insurance policy from family income. For some families, these deductions may bring their income under 200% and therefore exempt from the copays. Deducting these costs from family income will ensure that families whose income minus out-of-pocket costs are below 200% of the poverty level don't have to pay and other families have their cap based on their actually available income- not their gross.

2. DPW should bill families monthly for their copays rather than have families pay the provider every time their child receives a service

If families have to pay the provider every time their child receives a service, the provider won't know when the family has reached its monthly or quarterly limit, especially if the child uses more than one provider. This means the family may end up paying more in copays than required. DPW would have to reimburse the family but that could take months and the family would have to wait.

Instead, DPW should collect information on the services provided to the child (or children) in each month, add up the total amount of copays owed, compare that amount to the family's limit, then bill the family once a month for the total or the limit, whichever is less. This way, the family would never have to pay more than their limit and would only have to pay once a month.

3. Copays should be on a sliding scale depending on the family's available income

Families with lower available incomes should pay lower copays than families with higher available incomes.

Please tell the state you support these recommendations by writing to:

**Leesa Allen, Director
Bureau of Policy, Analysis and Planning
Office of Medical Assistance Programs
Department of Public Welfare
P.O. Box 2675
Harrisburg, PA 17105**

Please explain how these recommendations would assist your family in coping with copays. Send a copy to your State Senator and State Representative.

For more information, contact David Gates at the PA Health Law Project at dgates@phlp.org.