

Better Care at a Lower Cost for Medically Fragile Children



The number of children with chronic and special healthcare needs is rising in California and nationwide. Many of these children are denied critical access to home health nursing due to a lack of state Medi-Cal funding.

We must ensure that California's medically fragile children are not left behind!

Private duty nursing, or PDN, is a critical home health service that provides nursing to California children and adults with acute disabilities in the comfort of their homes at a fraction of the cost of a similar hospital stay. Private duty nurses are specially trained nurses who provide life-sustaining care and invaluable support to parents and families. Unfortunately, despite the well-known benefits of PDN and Governor Newsom's investment in improving care for children, Medi-Cal payment rates undercut the services these beloved nurses provide and put our most fragile children at risk.

Children with disabilities risk losing care with this lack of investment. Medicaid Home and Community Based Services provider infrastructure declined during the pandemic, with California and other states reporting a permanent closure of at least one provider. Our nurses are supported by their patients, families, California hospitals and other caregivers – but they need our lawmakers' support to **#CareForOurKidsAtHome**.

Children recover better at home while saving the state money

There is a chasm between the cost of pediatric care in a hospital and home health care.

- A child who has no choice but to remain in a hospital because home health care is not available will cost Medi-Cal anywhere from \$7,000 to \$10,000 per day.
- Under this proposal, a child who needs 24-hour care to maintain a healthy and safe environment in the home will cost Medi-Cal no more than \$1,482 per day - saving the state between \$5,518 and \$8,518 a day per child.
- Moreover, many children in the home will require far less than 24-hour care, which will reduce the total cost of care; hospitalization will always be around the clock care.

California nurses are getting left behind

	California ¹	New Mexico ²
RN Rate	\$60.84	\$97.44
LPN Rate	\$44.12	\$66.36

With an additional investment of \$60M, California can bring PDN rates up to a livable wage for nurses and compete with surrounding states –while ensuring that the over 4,400 children with acute disabilities are able to leave the hospital. Visit carefourkidsathome.com to hear from patients and their families.

California Medicaid expenditures for children fall behind other states

- California's utilization rate for certain children's services is ranked 40th in the country.³
- LVNs have been steadily leaving PDN services for more lucrative employment with institutional health care.
- Wages in non-PDN settings have increased 32% over the past 4 years with many institutions offering signing bonuses of \$10,000 to \$20,000. As a result, home health care has seen up to 50% of nurses move to non-PDN opportunities in the past 2-3 years.
- Fewer available LVNs working in PDN means children with authorized Medi-Cal hours cannot find home health care, forcing these children into hospitals and leaving tens of thousands of authorized PDN hours unfulfilled every week.
- Unfulfilled authorized hours generally cannot be provided by family members because of the requirement for a licensed nurse to execute the required complex medical care.
- Children without adequate home health care are either forced to return to the hospital or placed on a waiting list to get out of the hospital. Waiting lists for Medi-Cal eligible children range from 200-400 children depending on the agency. Rarely does any child move from the waiting list to home health care.

Of the 160 Medi-Cal PDN referrals it received, a large home health agency in the Los Angeles area could only serve 31 patients due to a lack of nurses.

We urge you to prioritize the most vulnerable among us, medically complex children, through a rate increase of 40% for Registered Nurse (RN) or Licensed Vocational Nurse (LVN) services provided in the home in the 2023-24 biennial budget.

¹ California Fee Schedule. California Department of Health Care Services

² New Mexico Fee Schedule, State of New Mexico

³ Data from California Department of Healthcare Services Audit, 2018