

**STATEMENT FOR THE RECORD**  
**Senate Finance Subcommittee on Health Care**  
**Hearing On**  
**CHIP at 10: A Decade of Covering Children**  
**July 26, 2006**

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The American Occupational Therapy Association (AOTA) submits this statement for the record of the July 6, 2006 hearing. We appreciate the opportunity to provide this information regarding occupational therapy services provided to children under state child health insurance plans (CHIP).

Occupational therapy is an essential health care service for children. While occupational therapy is an optional service under Medicaid for most populations, it is a mandatory service for children through Early and Periodic, Diagnostic, Screening and Treatment (EPSDT) requirements. As a result of the Deficit Reduction Act, many children previously eligible for Medicaid have been shifted onto benchmarked state child health insurance plans. AOTA was initially concerned about access to occupational therapy for children under these plans but notes the Center for Medicare and Medicaid Services' (CMS) letter to State Medicaid Directors dated March 31, 2006 requiring the full EPSDT benefit be provided to all children covered under state child health insurance programs. AOTA fully supports the decision to require CHIP coverage of vital services like occupational therapy through the continued EPSDT mandate.

Under CHIP and Medicaid, occupational therapy provides children with medically necessary, physician prescribed services that improve, restore, and maintain function and performance. Pediatric occupational therapy addresses sensory processing issues, cognitive, motor, and other developmental delays as well as injuries and other impairments. The therapist uses activity based therapy to improve the child's skills necessary for normal development and the independent completion of activities of daily living and instrumental activities of daily living. School, family, and play are typical areas of focus for children and the therapist provides interventions that help children to participate fully in these meaningful activities.

CHIP has had a significant positive impact on the number of uninsured children and is responsible for expanding coverage to over four million children. The program has been successful in providing health care coverage for children who's families could not afford private coverage but did not meet income eligibility requirements for Medicaid; therefore filling a vital gap in health insurance coverage. AOTA supports access to quality health care for all Americans, especially children, and believes mandates that require coverage for occupational therapy in CHIP are important to quality care. Occupational therapy is an essential service to ensure that children are healthy and develop into independent and productive adults.

Protecting continued access to occupational therapy for children covered under Medicaid and CHIP is a priority for AOTA. We look forward to continue working with Congress and CMS to improve access and quality of health care for all Americans and thank you for the opportunity to comment on the benefits of occupational therapy for children's health and wellness.