

**Testimony: SB1 Recommendations for the Texas Health and Human Services Commission  
Senate Finance Committee, February 6, 2019**

The Center for Public Policy Priorities appreciates the opportunity to testify on the Senate Finance Committee’s filed appropriations bill, SB 1. At CPPP, we believe in a Texas that offers everyone the chance to compete and succeed in life. Legislative advocacy is one important way we use data and analysis to enable Texans of all backgrounds to reach their full potential.

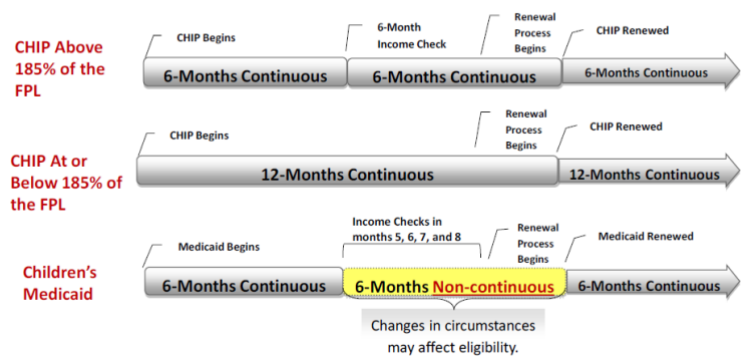
**Six Important Funding and Policy Issues at Texas HHSC**

**1) Children’s Health Coverage Improvement:**

Texas should implement 12-month Continuous Eligibility for children’s Medicaid, to match Texas CHIP policy. Texas has the highest uninsured rate for children in the U.S., and the rate got worse in 2017 after 10 years of improvement, with more than 10% of Texas children now without health coverage.

About 350,000 of Texas’ uninsured children are eligible for Medicaid or CHIP but are not enrolled. Children in Texas Medicaid get one 6-month segment of continuous coverage a year. After that, their coverage can be lost on a month-to-month basis as HHSC checks family income sources.

**Texas Children’s Medicaid and CHIP Coverage Timelines**



**2) Medicaid Maternity coverage period extension to 12 months postpartum.** CPPP strongly supports proposals to extend Medicaid Maternity coverage from the current 2 months after delivery to a full 12 months, to reduce maternal mortality by improving access to care for chronic conditions, including mental health and substance use disorders.

**3) Early Childhood Intervention (HHSC Exceptional Item #5): \$71 million to keep ECI programs helping our babies and toddlers** with Down syndrome, autism, speech delays, and other disabilities and development delays. Eighteen ECI programs closed down over the last 8 years. Texans Care for Children [documented](#) that funding for ECI has fallen from \$484 per child in 2012 to \$413 in 2018.

**4) Medicaid Managed Care Oversight and Performance Improvements (Exceptional Items #9, #18, and other legislation not yet filed).** Improving access to medically necessary care, raising the bar for Medicaid Managed Care insurers; performance, enhancing supports and protections for beneficiaries, and equipping HHSC to oversee these reforms will require some appropriations. Medicaid Managed Care is highly profitable, and Texas Medicaid can afford to invest in improved management of the program.

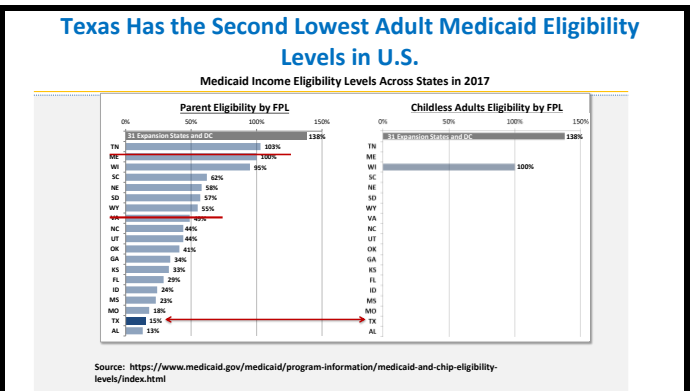
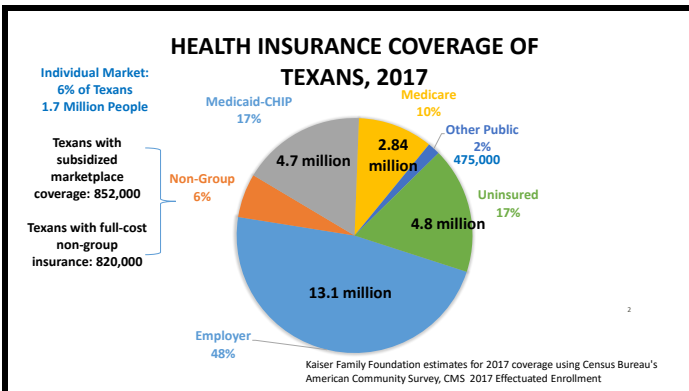
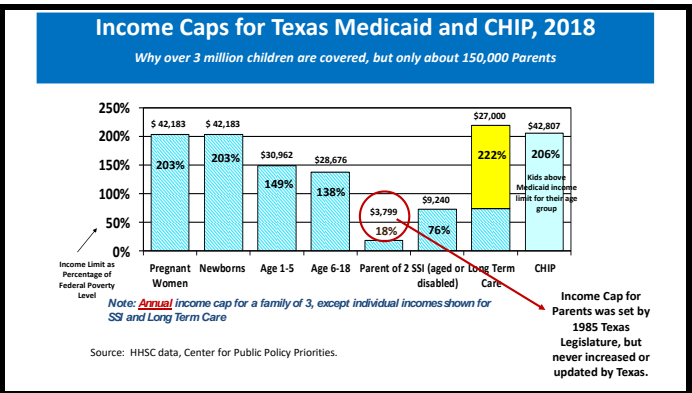
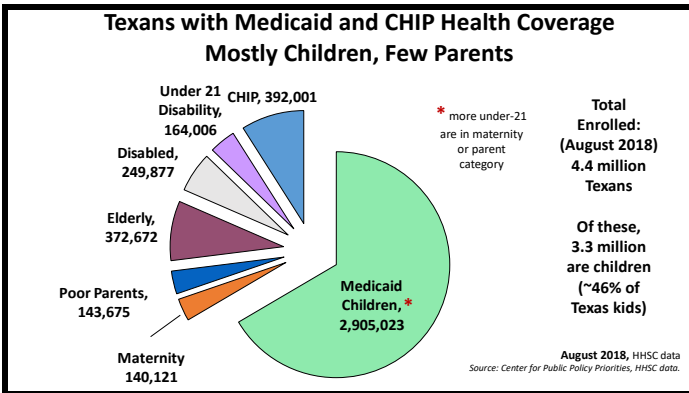
**5) Attendant Care Rates (\$150 million General Revenue Exceptional Item #36 for a 50 cent increase in base rate for Personal Attendants from \$8.00 to \$8.50).** With food service and entry-level retail jobs typically paying at least \$10 an hour, Exceptional Item #36 is a welcome but inadequate step to improve access to attendant care for seniors and Texans with disabilities. More adequate rates will be needed to hold Medicaid Managed Care plans accountable for network adequacy, which must include an adequate network of personal attendants.

**6) Coverage Program for Uninsured Low-Income Adults** to address Texas’ 50th-among-states uninsured rate and number, and to avoid the “funding cliff” and service access losses posed by the phase-down of the Medicaid 1115 Transformation Waiver.

- 2021 is the last year in which Texas will receive Delivery System Reform Incentive Payment Program (DSRIP) funding for innovative local health programs. The DSRIP funding pool will drop from \$3.1 billion in 2018 and 2019, to \$2.9 billion in 2020, \$2.5 billion in 2021, and \$0 in 2022.
- 2022 is the last year that the federal government has committed to provide Texas with “uncompensated care” funding to help make up for the unpaid hospital bills resulting from the state’s high uninsured rate. New rules on what unpaid bills can be counted could cause a big drop in this funding in 2019 for some hospitals.

[A coverage program for our working-poor adults](#) would maximize our ability to build DSRIP successes into the Medicaid Managed Care benefit package, reduce hospital uncompensated care, and allow providers to be paid rates that cover their costs. It would dramatically increase access to pre-conception and postpartum care, mental health services, and treatment and recovery support for substance use disorders (including opioid addiction). A coverage program would also reduce pressure on local property taxes, and bring an estimated \$9 billion in new federal funds each year to Texas.

**We respectfully urge the Committee and Legislature to follow the rapidly changing landscape for options to reduce Texas’ uninsured, and public support for real solutions.** Last summer, a major poll found that Texans want state and federal government to do more about the uninsured: a majority (54%) of Texans want spending on health care programs to increase, with only K-12 education being a higher spending priority. Two-thirds of Texans (64%) say that the state is not doing enough to help low-income adults get needed health care, and the same majority (64%) favor expanding the state’s Medicaid program to cover more low-income adults. [EHF/KFF Poll: June 15 release](#)



Thank you for the opportunity to testify. Any questions may be directed to Anne Dunkelberg, Associate Director, CPPP; [dunkelberg@cphp.org](mailto:dunkelberg@cphp.org).