



# CHILDREN'S HEALTH COVERAGE COALITION

FORMERLY THE CHIP COALITION

To:

**Senator John Cornyn**

**Senator Ted Cruz**

**Texas Congressional Delegation:**

**Governor Greg Abbott**

Date: November 8, 2017, *submitted via email*

**The Children's Health Coverage Coalition, made up of the undersigned leading state organizations concerned about the health and well-being of Texas' children and families, today voices our most urgent concern that the Children's Health Insurance Program (CHIP) be renewed as soon as possible.** Without action by Congress this month to continue federal funding for CHIP, Texas families could face disruptions in coverage that are almost certain to result in some children being unable to access medical care while other parents will face unmanageable medical debt in the event of an emergency.

We are concerned that the damage a delay in funding will inflict on Texas families—who could receive a notice about coverage loss as early as December 1<sup>st</sup> even if the program is eventually funded—has not received the attention it deserves. Families are already beginning to call our organizations with concerns about coverage loss for their children. Further, if funding is delayed beyond the end of the year, the impact will be decidedly costly to Texas. Moving children from CHIP to ACA Marketplace coverage, only to return them to CHIP later after Congress takes action, would increase costs for both taxpayers and families, and would inevitably result in gaps in coverage for children. This will be especially traumatic for those with serious medical needs.

The Texas Health and Human Services Commission (HHSC) has stated that Texas law requires termination of the CHIP program when there are no longer federal funds available. The state is also required to provide families with a notice of termination of CHIP eligibility no later than **30 days before** the date the child's eligibility terminates. Federal requirements also call for Texas to inform tribal CHIP enrollees **60 days before** termination. Receiving a notice of coverage loss will cause extreme anxiety for parents, particularly those whose children are in the midst of important medical treatment.

We have special concerns about disrupting coverage in Texas' 53 Harvey-affected counties, which could harm families already struggling to rebuild their lives, for whom the additional stress and uncertainty of CHIP loss would add another major burden to their recovery.

HHSC confirms that if they send 30-day notice of termination to the 400,000 Texas children in CHIP, they will also electronically transmit their information to the ACA Marketplace (healthcare.gov) via an "account transfer" at the same time. However:

- Parents would have to take a number of additional steps to enroll their children in Marketplace coverage, meaning many children would likely go for a month or more with no coverage: a real problem for children who need medication, and those who have chronic conditions and need consistent access to care;
- Not all CHIP children could access Marketplace subsidies despite their incomes being below 200% of poverty. Their parents would face higher costs for child coverage, and may even be unable to afford continued coverage (*a flaw in the ACA denies subsidies to children if their parent's individual premium is paid by the employer*);
- ACA Marketplace enrollment systems program will not be re-programmed, resulting in children being automatically cycled back to CHIP enrollment that is no longer available; and
- Texas will also have to create a costly and time-consuming process to get families back to CHIP if the program is reauthorized. Our experience from the large CHIP enrollment drops a decade ago underscored the difficulty and expense of re-building children's coverage.

All of these issues are likely to result in significant loss of coverage for children for at least some time, risking their health and well-being for years to come.

Since 1997, when Congress passed CHIP with strong bipartisan support, it has provided essential health care to children in working families who earn too much to qualify for Medicaid but too little to afford private health insurance. We ask you now to follow that bipartisan tradition, and to move with all possible haste to extend funding for CHIP and health care for these Texas children.

**Members of the Children's Health Coverage Coalition, including:**

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| ADAPT of Texas  | Proyecto Azteca ( <i>Rio Grande Valley</i> )                                     |
| American Congress of Obstetricians & Gynecologists-District XI (Texas)        | Teaching Hospitals of Texas  |
| Center for Public Policy Priorities   | Texans Care for Children   |
| Children's Defense Fund – Texas   | Texas Academy of Family Physicians   |
| Children's Hospital Association of Texas                                      | Texas Association of Community Health Centers                                    |
| CHRISTUS Health   | Texas Association of Community Health Plans                                      |
| Coalition of Texans with Disabilities   | Texas Association of Health Plans  |
| Coalition of Health Services, Inc. ( <i>Amarillo; 26 Panhandle counties</i> ) | Texas Association of Obstetricians & Gynecologists                               |
| Easterseals Coalition Serving Texas   | Texas Dental Association   |
| Healthy Futures of Texas  | Texas Hospital Association   |
| The League of Women Voters of Texas   | Texas Medical Association  |
| March of Dimes - Texas  | Texas Pediatric Society, The Texas Chapter of the American Academy of Pediatrics |
| Methodist Healthcare Ministries of South Texas, Inc.                          | Texas Impact   |
| National Association of Social Workers – Texas                                | Texas Organizing Project   |
| National Alliance of Mental Illness – Texas Chapter                           | United Ways of Texas   |
| PediPlace ( <i>Dallas, Lewisville</i> )                                       | Young Invincibles  |