



EVERY TEXAN

Formerly Center for Public Policy Priorities

Every Texan **Opposes** SB 1341 by Springer

Relating to eligibility for certain benefits provided under public assistance programs.

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Every Texan opposes Section 3 of SB 1341 by Springer as it would prohibit the state of Texas from accepting the determination of eligibility for Medicaid and/or CHIP from the Federally-facilitated Health Insurance Exchange. Under the Affordable Care Act (ACA), states which utilize the Federally-Facilitated Marketplace (FFM), have two options:

1. Accept determinations of eligibility for Medicaid and/or CHIP made by the FFM, or
2. Consider the FFM's determination an "assessment" and leave the final determination of eligibility to the state's Medicaid agency.

Currently, Texas HHSC has elected Texas to be an "assessment" state. We believe the decision to be a "determination state" or an "assessment state" should be left to Texas HHSC. In the past, states have switched between these options as needed to adjust to differing workloads and situations. For example, if a state's Medicaid eligibility system was inoperable or they were unable to update the system to meet federal requirements, they can temporarily switch to being an FFM "determination state." This avoids federal penalties for delays in application processing while the state gets their system into compliance. Other states have temporarily switched to being an FFM "determination" state when they anticipate a large volume of new applications. This allows the state to split the increased workload between the FFM and the state agency, reducing the risk of failing to process applications timely and face penalties. SB 1341 would remove Texas HHSC's ability to utilize this flexibility if the need should arise.