



Recommendations on Texas Health and Human Services Commission Legislative Appropriations Request FY 2026-2027

Every Texan appreciates the opportunity to provide written recommendations to the Texas Health and Human Services Commission (HHSC) regarding the agency's development of the Legislative Appropriations Request (LAR) for 2026-2027.

At Every Texan (formerly Center for Public Policy Priorities), we envision a Texas where people of all backgrounds can contribute to and share in the prosperity of our state. Unfortunately, not all Texans can access the conditions they need to thrive. We believe one of the most effective ways to advance social justice is to strengthen public policy. We are deeply committed to policy solutions that advance racial, ethnic, and gender equity, to expand opportunity for every Texan.

Legislative Appropriations Requests, by their nature, support longer-term changes through a partnership between HHSC and the Legislature. Prioritizing HHSC eligibility system fixes, staffing, and streamlining through this longer-term process is crucial, but Texans in need who are suffering today due to the crisis in Texas' eligibility system should not be forced to wait for changes that will happen two years from now.

Urgent action by HHSC and state leaders is needed. SNAP benefits have lapsed for tens or hundreds of thousands of eligible Texans due to paperwork backlogs at HHSC. Though the full scope of the backlogs remains unclear, HHSC has acknowledged that some SNAP applications are sitting untouched for 5 months and some Medicaid applications for 7 months. These failures expose Texas to the threat of federal financial sanctions and/or the loss of federal funds, but far more importantly, these failures cause real suffering.

Failure to take immediate action to address the eligibility system crisis amounts to an explicit decision to increase financial hardships and human suffering among low-income Texas children, the elderly, and individuals with disabilities today and over many months and possibly years to come. Among the many tools that Texas has available today to mitigate this crisis, we implore the state to take the 2 actions below. They would immediately and substantially reduce the workload of the eligibility system, so that HHSC can dig out of the backlogs, while ensuring that Texans in need can eat and access health care.

1. Request an emergency waiver from the USDA Food and Nutrition Service to automatically extend SNAP cases by 6 months and continue to waive recertification interview requirements until backlogs are eliminated. Texas leveraged *this same process*,

under different federal authority, several times over the last two years due to backlogs. HHSC can and should use it again.

2. Request a section 1902(e)(14)(A) waiver from the Centers for Medicare and Medicaid Services to extend children's Medicaid certification periods by 12 months for kids scheduled for renewal through the duration of Texas' unwinding period. Kentucky has already received federal approval for action due to workload and staffing challenges.

An effective eligibility and enrollment system forms the foundation for meeting the food and health care needs of eligible, low-income Texans. Its most basic function is to process eligibility accurately and without delay. Maintaining a system that can do that consistently takes meaningful investments. We stand ready to partner with HHSC through the LAR process and 2025 session to advance policy changes and state budget investments that ensure we have a high-performing eligibility system.

Every Texan endorses the recommendations submitted by the Children's Health Care Coalition as well as the Texas Food Policy Roundtable. The additional recommendations below reflect priorities for Every Texan and areas of expertise for our organization.

Recommendations:

1. Every Texan recommends boosting ex parte/administrative renewal rates to relieve burden on the eligibility system and Texans eligible for Medicaid.

Ex parte/administrative renewals utilize reliable third party data and data already verified by HHSC to confirm ongoing eligibility in Medicaid. While HHSC has access to income data from the Texas Workforce Commission, the Work Number and income data already verified by HHSC for SNAP and TANF, HHSC does not fully leverage this reliable data. As a result, Texas has completed Medicaid renewals during unwinding using this efficient, data-driven process just 2% of the time, the [worst ex parte renewal rate in the nation](#) as of November 2023. Texas' lack of streamlining in Medicaid renewals adds administrative costs to the system, including for FTEs and mandatory overtime. HHSC should adopt policies and request funding for needed upgrades, including for IT changes in the Medicaid eligibility system, to raise its ex parte renewal rate to at least the national average of 30%.

2. Every Texan recommends HHSC request adequate funding to onboard and retain sufficient numbers of eligibility staff to let the agency escape the current cycle of extreme backlogs and untimely processing of Medicaid and SNAP applications and renewals. Providing funding to the Community Partner Program would help better serve Texans while relieving some strain on the HHSC eligibility system and 2-1-1.

Inadequate numbers of eligibility staff and inability to retain tenured eligibility staff lead to undesirable working conditions (e.g., mandatory overtime requirements) which in turn discourage new applicants and entry-level workers. To maximize impact, funding of HHSC eligibility staff should include supporting additional outstationed eligibility staff requested by FQHCs and hospitals.

Ensuring that numbers of contracted staff (e.g., Maximus staffing of 2-1-1 option 2) and their training are adequate is also critical to eliminate bottlenecks and errors in moving Texans through the eligibility processes.

Finally, funding for the Community Partner Program (CPP) could generate more process-ready paperwork to lessen backlogs and delays at HHSC and reduce calls to 2-1-1. Because HHSC discontinued the use of small grants to support community-based application assistance (in place after 2000), participation in rural Texas is limited. Only larger entities and networks can afford to direct staff resources to the CPP; but with a modest source of funding more rural community groups could also participate. We recommend funding to provide additional support to CPPs to help cover the costs of on-site equipment (e.g. computers and internet connections), printed materials, as well CBO staff support.

3. Every Texan recommends HHSC request funding to address and permanently fix all known system errors and glitches in TIERS.

HHSC should request funding to address and permanently fix all known system errors and glitches in TIERS, while also actively engaging in plans to replace TIERS with a new and updated eligibility system in the future. The Medicaid unwinding process has put a spotlight on several IT system issues, many of which require time-consuming manual workarounds for eligibility workers on a case-by-case basis and can wrongly end coverage for clients. These system issues and workarounds add to significant delays for all eligibility programs (Medicaid, CHIP, SNAP, TANF, and Healthy Texas Women). We also recommend forming a Technical Advisory Committee with external members to help HHSC identify and resolve systemic issues within TIERS and Your Texas Benefits (YTB) app and online website that could leverage knowledge and experience of MCOs, HHSC Community Partners, and key stakeholders.

4. Every Texan recommends HHSC request funding to improve resources for language access in eligibility system processes, and to provide clear guidance in those processes for families that include immigrants. To be effective, up-to-date training among HHSC eligibility staff and related contractor staff will be essential.

More than one in three Texas households speaks a language other than English and 13% of Texans have limited English proficiency. For many Texans who are limited English proficient or

who have other communication needs, navigating the application and renewal process can be extremely challenging. HHSC should translate all notices, forms, and YTB text needed for Medicaid/CHIP and SNAP application and renewal into no fewer than Texas' 5 most commonly spoken languages, using professional translators, with the translated materials tested for clarity by members of the affected community. HHSC should also ensure clients have the ability to elect to receive all notices in their preferred language.

One in four Texas children live in a family including a non-citizen parent, and each family member can be subject to different eligibility rules. Updated HHSC materials and outreach narratives are needed that clearly explain eligibility rules for non-citizens and their U.S. citizen family members, and inform parents that eligible children's use of health care services or SNAP will not harm a parent's immigration status. Updated HHSC eligibility staff training on these topics will also be indispensable to minimize errors in processing applications and renewals.

5. Every Texan recommends Texas HHSC request funding to successfully implement and administer the Summer EBT Program beginning in 2024.

The newly established Summer EBT program is designed to prevent children from going hungry during the summer when they lose access to school meals. Modeled on the successful Pandemic EBT (P-EBT) program, which HHSC operated in partnership with the Texas Department of Agriculture (TDA) during the COVID-10 pandemic, it is estimated that 2.9 million Texas students could receive approximately \$348 million in food aid, should Texas implement a Summer EBT program in 2024. HHSC should request funding to reimburse the agency for staffing, card issuance, and IT changes needed to implement Summer EBT in 2024 and 2025 in addition to funding for the next biennium.

6. Every Texan recommends Texas HHSC request funding to enact the Medicaid state plan option to cover adults up to 138% of the federal poverty income in Texas Medicaid.

This policy change is estimated to cover up to 1.4 million currently uninsured Texas adults, including cooks, child care providers, cashiers, and other workers with incomes below the poverty level who have no viable health insurance options today. Research indicates that this coverage would be fiscally neutral for Texas, or even benefit the state budget, due to billions of dollars in new federal funding alongside savings to state budget GR costs. In addition, a large body of research establishes that the newly insured experience improved use of medical care and better financial security, and reduced medical debt which enables families to move up the economic ladder while also reducing uncompensated care for health care providers.

Again, Every Texan is grateful for this opportunity to offer recommendations for HHSC consideration. We welcome any questions, which can be directed to Brittney Taylor-Ross; taylor-ross@everytexan.org.

Sincerely yours,

Brittney Taylor-Ross

Senior Policy Analyst

Every Texan

7020 Easy Wind Drive #200

Austin, TX 78752