



**Testimony on Senate Health and Human Services Committee Interim Legislative Charge:
Health Insurance**

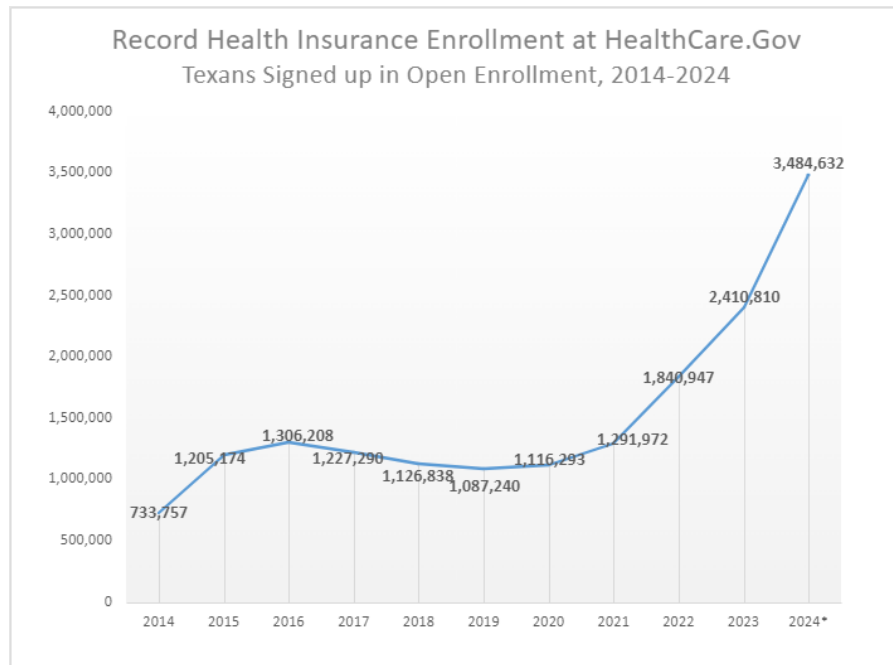
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Every Texan (formerly CPPP) appreciates the opportunity to comment on the 2024 Senate Interim Legislative Charges. The Benedictine Sisters of Boerne, Texas, founded Every Texan (formerly CPPP) in 1985 to advance public policy solutions for expanding access to health care. We became an independent, tax-exempt organization in 1999. Today, we prioritize policies that will measurably improve equity in and access to health care, food security, education, and financial security. We are based in Austin, Texas, and work statewide.

At Every Texan, we envision a Texas where people of all backgrounds can contribute to and share in the prosperity of our state. Texas faces long-standing challenges to optimal health, including the nation's highest uninsured rates, and steep financial and systemic barriers for those who have insurance. We work to improve public policies to make affordable, comprehensive care a reality for every Texan. Every Texan has had the privilege of working directly with enrollment assistors over the last several years, convening workgroups and providing technical assistance to enrollment assistors who are on the frontlines with families across Texas of all incomes. It is our goal to maximize enrollment in health care coverage for all Texans and ensure all Texans have access to comprehensive and affordable coverage.

Most Texans Can Access Quality, Affordable, Comprehensive Coverage

A record number of Texans signed-up for health insurance on Healthcare.gov or the ACA Marketplace this year. [3.5 million Texans enrolled for 2024](#), compared to 2.4 million in 2023, a 36.5% increase. The number of Texans enrolled in plans through HealthCare.gov has nearly tripled over the last three years. These numbers show that HealthCare.gov is working well for many across the state of Texas.



Data also shows almost 75% of Texans returning to the Marketplace comparison shopped successfully to find the best plan. Texans are empowered to find and access coverage on the Marketplace because of an increase in the availability of cost-saving options. The increased enrollment follows a significant nationwide investment by the federal government in HealthCare.gov affordability, outreach, and enrollment. Federal investment in subsidies – first through the 2021 American Rescue Plan Act and then the [2022 Inflation Reduction Act](#) – have saved Texans in the Marketplace an average of [\\$560 per year in premiums](#).

Comparison shopping for products to protect your family’s health and safety can be complicated. This is true for buying a car or a house or finding the right school for your children. It is also unfortunately true in the United States we have to find the best health coverage for what we need. In other states, there is a funded network of experts available to assist families in finding the right plan on the Marketplace.

Texas chooses not to fund a program like this, even though it did years ago with success. Texans have to rely on federally-funded programs to get help enrolling in coverage. Since 2021, the federal government has [awarded \\$13 million in navigator grant](#) funding to 10 Texas organizations, substantially increasing enrollment assister capacity for Texans who need help signing up for plans. It is crucial that funding for navigators is increased by our state legislature as more Texas families access the ACA marketplace. Navigating the health insurance market can be difficult for families and enrollment assistors are a critical lifeline for families.

We know there is bipartisan understanding in our legislature of the value of this access to coverage—SB1296(87R) by Senator Nathan Johnson and Representative Tom Oliverson makes certain Marketplace plans more affordable by boosting the impact of federal subsidies. 96% of Texans got help from subsidies to lower their premiums. Almost half of that enormous percentage also got cost-sharing reductions that lower all out-of-pocket costs.

The Affordable Care Act is great for Texas businesses, too. Since its passage, the uninsured rate for small business employees has [dropped by almost 10 points](#). For smaller employers who offer health coverage as a part of a competitive benefits package to attract the best talent, premiums have almost halved because of the law. Health coverage means healthier Texans, and healthier Texans leads to a healthier Texas economy (especially as a big deterrent to starting a new venture is loss of health coverage). Things that harm access to the Marketplace also harm our small businesses and community of entrepreneurs—**[around half of Marketplace enrollees are entrepreneurs, run a small business, or work for a small business](#)**.

Parts of the Private Insurance System are Not Working for Texans and Can be Addressed by the Legislature

Evidence shows the Marketplace is working in Texas and it is working well. This is despite a rising trend in fraud by certain bad actor agents and brokers (which would not be as big an issue with state-funded enrollment support to help consumers) who are enrolling some people in multiple plans without their consent. The US Department of Health and Human Services is investigating this, but in the interim more support for Texas families would be a help in protecting consumers from this fraud.

Another threat to Texans having comprehensive medical coverage are plans that are simply not comprehensive medical coverage. In the same way a moped would be an alternative to a car, these products are cheaper but have far fewer protections for the people relying on them. It is far more confusing to navigate health coverage options if products that are not actually comprehensive health coverage are not regulated well and look a lot like major medical insurance—until someone in the family needs health care. These may be simpler to buy, but the products themselves are not simple to understand when consumers try to use them and realize things like pregnancy care or hospitalization are not covered. These plans can lead to [negative financial outcomes](#), such as medical, debt and negative health outcomes.

To help ensure Texans can navigate the private insurance market better, we recommend:

- Re-instituting and re-allocating funds to our state navigator program;
- Requiring consumer disclosures on association health plans, short term plans, farm bureau plans, and standalone/excepted benefits plans;
- Investigating agent and broker fraud allowing bad actors to double-dip and get fees by enrolling unsuspecting families in multiple plans and finding policy solutions to prevent this harm; and
- Setting up programs targeted to self-employed Texans and small business owners and employees who rely on Marketplace coverage to ensure a healthy Texas economy.

Some Texans Still Cannot Access Comprehensive Coverage Because of Texas Law and Policy

When the law is a barrier to accessing better health, the law should be changed. Providing an alternative to that good or service is not the same thing as providing access to it. Up to 726,000 Texans cannot access real, comprehensive insurance because of Texas failure to expand Medicaid to cover low-income adults. The unwinding of the Medicaid continuous coverage requirement following the end of the federal public health emergency saw 2 million children, people with disabilities, and pregnant women lose coverage because of state-level policies that make it difficult to get and keep coverage. The uninsurance rate in Texas does not look like that

of any other state, and this can and should be addressed by our legislature using what we know are best practices used in virtually every other state.

Despite the record enrollment in the ACA Marketplace, many Texans still do not have a door to healthcare coverage and Texas continues to have the highest uninsured rate in the U.S, with 4.9 million Texans uninsured in 2022.ⁱ Unfortunately, the enhanced federal subsidies referenced above are not available for Texans caught in the Medicaid coverage gap. This gap consists of adults who earn too much to qualify for Texas Medicaid but too little to qualify for these subsidies.

It is estimated that there are 726,000 uninsured Texans currently in the coverage gap.ⁱⁱ 73% of Texans in the coverage gap are in families with at least one worker and 77% are people of color.ⁱⁱⁱ Many Texans caught in this gap work in lower-wage jobs such as food service, child care and home health providers, and construction. It is no accident most Texans in this situation are also members of workforces we are struggling to maintain and that the rest of the state relies on to live and work well. **The best policy solution we have available right now to cover more Texans is to expand Medicaid to adults with incomes up to 138% FPL.** Expanding Medicaid would increase the use of preventive care, reduce utilization of emergency care, and improve health outcomes for many Texans while ensuring more Texans have access to consistent care.

The Medicaid Public Health Emergency Unwinding is Unwinding Progress in Texas

Unfortunately, many Texans, particularly children, have lost access to health care coverage during the Medicaid “unwinding.” As Texas re-checked the eligibility for over 5 million Texans on Medicaid and CHIP over the last year, about 1.35 million children were removed from Medicaid and CHIP.^{iv} Because income eligibility for children is much higher than adults, most of the children who have lost coverage are likely still eligible. We’re concerned that many children who have lost their Medicaid/CHIP health coverage do not have access to healthcare.

Even short gaps in coverage cause children to miss vital prescriptions or not be able to see a doctor when they are sick. Texas has the [worst uninsured rate](#) in the nation for kids, and these data indicate that an increasing number of Texas children are likely going without the protection that health coverage provides. To help ensure eligible Texans are able to enroll in health care coverage through Medicaid and CHIP and keep their coverage, we recommend:

- Investigating why the state has such a low rate of data-driven automatic renewals (also known as ex parte renewals) that reduce paperwork by using other databases the state has on family income and other data;
- Removing unintended barriers that families face when attempting to apply for or renew their coverage. Specifically, invest additional funding in upgrading the technology within the Texas Medicaid eligibility system, the 2-1-1 call system, and the state’s YourTexasBenefits website and app;
- Investigating why the computer systems supporting the program drawing the largest share of federal dollars to our state is malfunctioning to the degree it is and assessing the administrative costs of the repeated, continued errors shouldered by Texas taxpayers;
- Investing in community partners who are help Texans enroll in Medicaid;

- Investing in additional funding in maintaining a stable, experienced workforce of state eligibility workers;
- Improving language access and Medicaid outreach that addresses concerns of mixed-immigration status families. [One in four](#) Texas children lives in a mixed-status household. To ensure meaningful [language access](#) to Medicaid/CHIP, the state should make applications, notices, and outreach materials available in multiple languages, not just English and sometimes Spanish; and
- Passing “Express Lane” enrollment for kids who are already eligible for Medicaid or CHIP. [The proposal](#) would allow the Health and Human Services Commission to use already-verified information, such as a child’s enrollment in SNAP, as an indicator for Medicaid and CHIP eligibility.

Thank you for the opportunity to provide written testimony on this important topic. Please feel free to reach out to our team with any questions at taylor-ross@everytexan.org.

ⁱ 2022 U.S. Census

ⁱⁱ <https://www.cbpp.org/sites/default/files/4-3-24health-factsheet-tx.pdf>

ⁱⁱⁱ *ibid*

^{iv} <https://www.hhs.texas.gov/sites/default/files/documents/march-2024-end-continuous-medical-dashboard.pdf>