

Attn: Texas Health and Human Services Commission CFOStakeholderFeedback@hhs.texas.gov

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Recommendations on the Texas Health and Human Services Commission's Legislative Appropriations Request FY 2028–2029

On behalf of Every Texan, thank you for the opportunity to provide input into the development of the Fiscal Year 2028–2029 Legislative Appropriations Request (LAR) for the Texas Health and Human Services Commission (TXHHSC). Every Texan's mission is to strengthen public policy to expand opportunity and equity for Texans of all backgrounds. We employ data, our analysts' unsurpassed expertise, sound judgement, legislative advocacy, administrative advocacy, and coalition engagement to propose targeted solutions for policy shifts that promote, strengthen, and expand justice, opportunity, and equitable policies in local, state, and federal governments.

Following are our recommendations for HHSC's 2028–2029 Legislative Appropriations Request (LAR):

- 1. Increase use of automated systems for new and renewal benefits applications
- 2. Restore funding to Texas Community Partner Programs
- 3. Support more Texas families by ensuring the stability and availability of women's health programs.
- 4. Establish funding for charitable clinics in Texas
- 5. Develop workforce development programs to incentivize provider participation (especially, mental and behavioral healthcare providers) in rural Texas areas
- 6. Establish funding for informal kinship caregivers to receive TANF payments
- 7. Fund Language Accessibility in 211 and YourTexasBenefits
- 8. Request funds for closing the health insurance coverage gap

Details for those recommendations follow:

1. Increase use of automated systems for new and renewal benefits applications Recommendation:

We recommend that HHSC fund system improvements, fund payments to vendors like Experian, and incorporate more reliance on automated data review into new and renewal application reviews for benefits programs.

Need addressed by this recommendation:

The administrative burden that benefits applications place on families is high, especially with respect to the income and time constraints that limit low-income families' capacities to carry out, manage, and follow through with complex application procedures for benefits programs like Medicaid and SNAP. Families consistently report that they do not receive communications from HHSC about requirements to upload application data verifying documents to YourTexasBenefits.com, fax them to HHSC, or bring them to an HHSC office for verification. When families do receive those communications, submission deadlines may have passed and/or deadlines are coming up in just one or two days. By increasing reliance on automated data review (or, ex parte data review), where HHSC staff use existing data systems like labor and wage statistics, IRS records, bank records, and/or credit reporting agencies' records to verify application data, HHSC will reduce administrative burdens for families, save time for HHSC eligibility workers, and save state dollars previously spent on paper, mailing, and staff time. As of July 2025, Texas' ex parte review rate was just 9% of all renewal applications; that rate makes Texas last in the nation for ex parte review rates on renewal applications.

Expected impact or benefit to the state and the people HHSC serves:

By increasing funding for HHSC to implement more robust ex parte renewal processes, the Texas legislature will reduce the need for families to send multiple types of documents and/or multiple rounds of documents to HHSC because commission staff will be able to verify income, household, and other application data using trusted data systems that diverse industries use to verify information. HHSC will enroll more eligible children into life-saving medical coverage and food security programs, and Texas children will have better educational, professional, and lift outcomes in the future.

2. Restore funding to Texas Community Partner Programs

Recommendation:

We recommend that HHSC allocate funding to the Access and Eligibility Services (AES) division, which oversees the Community Partner Program (CPP), to provide grants to community-based organizations already certified by HHSC to provide eligibility application assistance, eligibility guidance, outreach, and utilization support to help children, people with disabilities, pregnant women, and low-income seniors enroll in, renew, and use HHSC-administered health and food security programs, including Medicaid, the Children's Health Insurance Program (CHIP), Medicare Savings Programs, Healthy Texas Women, and/or SNAP food stamps.

Need addressed by this recommendation:

HHSC-certified Community Partner Programs (CPPs) help families navigate complicated application processes for safety-net services, including SNAP, Medicaid, CHIP, and others listed above. CPPs train staff who work for trusted community-based organizations (CBOs)—like food banks, health centers, workforce training centers, and more—that are more accessible than a state benefits office. CPPs also provide one-on-one interactions with clients and patients and

https://www.medicaid.gov/medicaid-and-chip-eligibility-operations-and-enrollment-snapshot

¹ Centers for Medicare and Medicaid Services (CMS). 2025 November 28. "August 2025: Medicaid and CHIP Eligibility Operations and Enrollment Snapshot." *Medicaid and CHIP Eligibility Operations and Enrollment Snapshot*.

answer questions throughout application or renewal processes, and CPP staff help Medicaid, CHIP, and SNAP enrollees know how to use the programs in which they're enrolled for cost-saving preventive care and condition management. In consideration of long application processing times for Medicaid and CHIP, CPPs ensure families with members who are eligible remain enrolled in health care and food assistance. Increased outreach to families is needed to get children and adults who are eligible enrolled in benefits.

Expected impact or benefit to the state and the people HHSC serves:

CPPs reduce the burden on state HHSC eligibility workers who are already stretched thin. Shortages of HHSC eligibility workers have prevented Texas from meeting federal guidelines for processing Medicaid and SNAP applications in a timely manner in recent months. Hold times for HHSC's Customer Service Center are often over an hour. Demands on already-stretched state eligibility workers and HHSC Customer Service Center staff will grow substantially as Texans navigate Medicaid uncertainty from the federal government. This upcoming uncertainty will further increase the risk that eligible children and other Texans will inadvertently lose coverage due to potential Medicaid work requirements or system errors in reprocessing applications for people who are potentially going to lose eligibility for Medicaid. By helping families navigate the application process, submit the needed paperwork, manage benefits online, use programs efficiently, and save state Medicaid funds in the long term, CPPs reduce administrative burdens on state workers, 2-1-1 workers, and Texas taxpayers.

3. Support more Texas families by ensuring the stability and availability of women's health programs.

Recommendation:

Request additional funding and examine innovative options to support the Breast and Cervical Cancer Screening program as the state continues to navigate the rising costs of healthcare, loss of coverage, women's healthcare deserts and increasing maternal mortality rates.

Need addressed by this recommendation:

BCCS providers are few and very far between in our state, but they are providing life saving care. Reimbursement rates for specialty care are so low that this network continues to shrink, leaving women without any options. HHSC should consider how best to support this program, whether it is by offering grants to incentivize providers or incorporating these services into HTW and FPP. If nothing is done, we fear this program and its services will disappear entirely.

Expected impact or benefit to the state and the people HHSC serves:

BCCS provides life-saving early detection for people with breast cancer, and the program provides a treatment pipeline for uninsured people who can then enroll in Medicaid for Breast and Cervical Cancer (MBCC). These programs save lives for low-income people in Texas who would otherwise live with undetected cancers, which would develop until affected people became so ill that they would make an expensive hospital visit only to discover such an advanced cancer stage that treatment in many cases would be impossible. Early screening and treatment saves lives, saves family finances and health outcomes, and saves money to the state in uncompensated care costs.

4. Establish funding for charitable clinics in Texas

Recommendation:

Charitable clinics throughout Texas provide necessary healthcare for over 200,000 Texans each year. Volunteers at these clinics provide little or no-cost medical care to uninsured people with low incomes. Each clinic operates independently; some clinics are community-based, others are faith-based, and all rely on the generosity of volunteers, who often give their time to uninsured Texans at charitable clinics after working at funded clinics and hospitals. By providing funding to these charitable clinics, HHSC will support their work at keeping uninsured Texans healthy and able to go to work, school, church, etc.

Need addressed by this recommendation.

Over one million people are expected to lose health insurance in Texas in the next three to five years. Due to federal policy changes from the 119th US Congress' H.R. 1 budget reconciliation bill and to Congress' failure to extend the Affordable Care Act's Enhanced Advanced Premium Tax Credits, our healthcare system in Texas currently is poised to see uncompensated care costs increase in the short term and increases in chronic conditions and expensive treatments in the long term. The over one million people in Texas who are expected to lose health insurance can receive medical care at charitable clinics at no cost, so we anticipate that charitable clinics will see increased demand as more Texans become uninsured. Funding from HHSC for these charitable clinics will support their continued operation and expansion to serve increasing patient numbers across the state, especially in rural areas.

Expected impact or benefit to the state and the people HHSC serves:

By funding charitable clinics across Texas, HHSC will make it possible for increasing numbers of uninsured people to access life-saving and necessary healthcare. As the American Medical Association makes clear, "preventive medical care saves lives, improves health outcomes, and lowers overall health system costs not only by preventing disease outright, but also by detecting serious illnesses earlier, when more effective treatment options are available." By funding the charitable clinics that provide preventive and primary care to uninsured Texans, HHSC will save lives and also reduce reliance on more expensive healthcare system options in the future.

5. Develop workforce development programs to incentivize provider placement (especially, mental and behavioral healthcare providers) in rural Texas

Recommendation:

Collaborate with Texas' college and university sectors, the Texas Workforce Commission, and former members of the Governor's Task Force on Health Care Workforce Shortages to attract and retain a high-skilled health care workforce by strengthening recruitment and retention of healthcare providers in rural communities. Help rural providers practice at the top of their license and develop a broader set of providers to serve a rural community's needs, such as specialist care providers, pharmacists, community health workers, and—especially—mental and behavioral healthcare providers.

Need addressed by this recommendation:

To keep up with the growing demand for healthcare as Texas' population of rural residents ages, HHSC can foster, train, and fund incentive programs for aspiring nurses, doctors, and healthcare sector employees who will provide necessary healthcare for people living outside of

https://www.ama-assn.org/about/leadership/maintaining-preventive-coverage-vital-public-health

² Scott, Bruce. 2025 April 17. "Maintaining preventive coverage is vital to public health." American Medical Association.

Texas' medical centers, located in urban and suburban areas. The need is especially high for mental and behavioral healthcare providers who accept Medicaid, Children's Health Insurance Program, Medicare, and Marketplace coverage options.

Expected impact or benefit to the state and the people HHSC serves:

By incentivizing healthcare workforce development programs in Texas' rural counties, HHSC will increase the number of providers in those areas and improve healthcare outcomes for rural residents. With improved utilization data, HHSC and public health researchers will understand better the conditions that affect rural Texans' healthcare needs, and the agency will be better suited to address those needs in the future.

6. Establish funding for informal kinship caregivers to receive TANF payments Recommendation:

In coordination with the Texas Department of Family and Protective Services (DFPS), HHSC could request budget funds to make cash assistance in the form of Temporary Assistance for Needy Families (TANF) available as a public benefit to family members caring for their loved ones' children. When grandparents, uncles, aunts, or other family members are taking care of a loved one's child while that loved one is unable to care for the child for any reason, that child lives in a kinship care arrangement. Unless Child Protective Services formally places the child in the home of a family member, through formal processes like court orders or foster care, the kinship care arrangement is informally arranged without the involvement of state authorities. Family members in these informal kinship care arrangements do not qualify for TANF cash assistance to support them with the costs of raising their loved ones' children.

Need addressed by this recommendation:

Informal kinship caregivers save the state millions of dollars annually in foster care costs while simultaneously offering children love and security during difficult times. Despite their vital role, many kinship caregivers struggle to meet the financial demands of raising these children and are often without access to meaningful state assistance. Strengthening support programs like TANF is an essential step to help these families thrive. By raising benefit levels and removing outdated eligibility restrictions, HHSC can better help Texas families achieve health and stability.

Expected impact or benefit to the state and the people HHSC serves:

Kinship caregivers play a critical role in reducing the financial burden on Texas by providing care for children outside of the traditional foster care system. When children are placed with kinship caregivers instead of foster families, the state saves a significant amount of money each year. With a daily reimbursement rate of \$12.67 per child for kinship caregivers compared to \$27.07 for foster families, the state incurs an annual cost of about \$4,625 per child in kinship care versus \$9,881 in foster care. With over 6,000 children currently in formal kinship care, Texas saves approximately \$51.7 million each year.³ By providing TANF funding for informal kinship caregivers, HHSC would provide increased opportunity for families to maintain their kinship care arrangements, prevent children from leaving their family members, and continue saving millions of dollars of state expenses in the foster care system.

https://everytexan.org/wp-content/uploads/2025/02/Kinship-Care-in-Texas.pdf

³ Rayo-Garza, Coda. 2025 February. "Kinship Care in Texas Benefits Children and Saves the State Millions of Dollars." Every Texan.

7. Fund Language Accessibility in 2-1-1 and YourTexasBenefits.

Recommendation:

HHSC should request at least one FTE position as a Language Access Coordinator within the Texas Health and Human Services Commission to evaluate and address gaps in access to information within 2-1-1 Texas Information and Referral Network and YourTexasBenefits.

Need addressed by this recommendation:

Texas is home to 160+ different languages, but HHSC administered health, social, and emergency services are provided largely in English and only inconsistently in Spanish. These language gaps mean that limited English proficient (LEP) Texans are often left out of critical updates. This gap disproportionately affects vulnerable populations, including low-income individuals, elderly residents, people with disabilities, and survivors of domestic violence, sexual assault, and other crimes. Texas' lack of language access not only exacerbates health risks for low-income children and elderly residents during natural disasters and emergencies but also prevents hundreds of thousands of eligible Texans from accessing life-saving and cost-saving programs offered by the Health and Human Services Commission.

Expected impact or benefit to the state and the people HHSC serves:

At a time when the Commission and state leadership are already working to address long overdue improvements in the 2-1-1 Network and other services administered by HHSC, this minor investment would enable Texas to identify the most efficient ways to address the immediate needs of its limited English proficient population without overextending resources.

8. Request funds for closing the health insurance coverage gap Recommendation:

By requesting funds to close the health insurance coverage gap in Texas, HHSC would indicate via budget item to lawmakers in the 2027 legislative session that the agency is prepared to expand eligibility for Medicaid coverage to over one million uninsured Texans with incomes below 138% of the federal poverty level. Given 2025 policy changes from the federal government's H.R. 1 budget reconciliation bill, any adult Texan eligible for Medicaid would need to meet work reporting requirements in order to keep Medicaid coverage.

Need addressed by this recommendation:

Texas currently has the highest rates of uninsured people and uninsured children anywhere in the United States.⁴ In Texas, approximately 19% of families have medical debt in collections,⁵ so they are less likely to be able to establish credit good enough to receive business or home loans that allow them to make important financial decisions for themselves, their families, and their futures. By signalling to Texas lawmakers that HHSC is prepared to close the health insurance coverage gap, HHSC could advance this necessary healthcare coverage option to increase financial stability and improve health outcomes for Texans across the state.

⁴ Cover Texas Now. 2025 September 25. "Texas Has the Worst Uninsured Rate in the US Once Again—and Policymakers Hold the Key to Fix It."

https://covertexasnow.org/posts/2025/9/25/texas-has-the-worst-uninsured-rate-in-the-us-once-again-and-policymakers-hold-the-key-to-fix-it

⁵ Jenkins, Derek. 2024 October 31. "Nonprofit Hospitals and Medical Debt in Texas." Baker Institute Center for Health Policy.

https://www.bakerinstitute.org/research/nonprofit-hospitals-and-medical-debt-texas

Expected impact or benefit to the state and the people HHSC serves:

By promoting the closure of the health insurance coverage gap as a budget item in its Legislative Appropriations Request, HHSC would promote health insurance access for over one million low-income Texans and establish their access to life-saving healthcare coverage. In addition, with more Medicaid funding from the federal government in Texas, closing the coverage gap would also boost the state economy, help rural hospitals stay open, and create jobs in the state, where over 40,000 healthcare system workers are expected to lose their jobs if Congress fails to extend the Affordable Care Act Marketplace's Enhanced Advanced Premium Tax Credits. By promoting the closure of the coverage gap in Texas, HHSC would advance a common sense solution to the problems our healthcare system faces due to the policies being implemented by the federal government.

Please let me know if I can send along any more details or answer any questions. We appreciate this opportunity to make recommendations.

Thank you again,

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Every Texan

340000-jobs-lost-2026

⁶ Ku, Leighton, et al. 2025 October 16. "Expiring ACA Premium Tax Credits Could Lead to Nearly 340,000 Jobs Lost Across the U.S. in 2026." Commonwealth Fund. https://www.commonwealthfund.org/publications/issue-briefs/2025/oct/expiring-premium-tax-credits-lead-