

SUBJECT: Creating a pilot program for Medicaid interpreter services

COMMITTEE: Public Health — favorable, without amendment

VOTE: 8 ayes — Delisi, Laubenberg, Coleman, Dawson, Jackson, McReynolds, Truitt, Zedler

0 nays

1 absent — Solis

WITNESSES: For — David Correa, Erik Dahler, Bexar County Hospital District; (*Registered, but did not testify:* Jennifer Banda, Texas Hospital Association; Ed Berger, Seaton Healthcare Network)

Against — None

BACKGROUND: Medicaid, the state-federal health care program for low-income families, children, elderly, and the disabled is governed by both federal and state laws. The program is administered by the Centers for Medicare and Medicaid Services (CMS) at the federal level and by the Health and Human Services Commission (HHSC) in Texas.

Federal law requires that providers offer interpreter services for their Medicaid and Children's Health Insurance Program (CHIP) patients. Both programs offer states the option to reimburse providers for this service. Ten states do so, but Texas does not.

CMS permits states to deviate from the federal Medicaid laws under limited circumstances. In order to implement a program not envisioned by the federal law, a state must submit a waiver and have it approved by CMS.

Local governmental entities may offer some local funds to be used as state matching funds. The federal government pays about 60 cents for every 40 cents expended by the state in the Medicaid program. Using local funds through an intergovernmental transfer or other arrangement allows the local money to be treated as state funds for the purpose of obtaining federal matching funds.

DIGEST:

HB 1396 would direct HHSC to establish a pilot program to provide interpreter services to Medicaid patients. It would use local funds and federal matching funds to pay for the pilot and would offer an opportunity to participate first to the hospital districts in Harris County, Bexar County, El Paso County, and Tarrant County and the Parkland Health and Hospital System. If any of those entities declined to participate, HHSC would request participation by other local governmental entities until it had at least five participating sites.

If a waiver were needed, HHSC would pursue one and would evaluate the pilot program and report to the 80th Legislature by January 1, 2007. The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2005.

**SUPPORTERS
SAY:**

HB 1396 would draw down federal funds to help Texas hospitals pay for interpreter services. Many Texas hospitals currently offer interpreter services to their patients who are hard of hearing or do not speak English well. Because good communication is vital to treating patients, hospitals pay for interpreter services out of their general operating budgets. HB 1396 would permit hospitals to obtain federal matching funds for interpreter services for their Medicaid clients.

The bill would not be a cost to the state and would not represent an expansion of the Medicaid program. Local governmental entities, such as hospital districts, already allocate some local funds as state matching funds to draw down federal dollars. This would bring additional federal funds to the local governmental entities without costing the state. Because the bill would create a pilot program, it would not expand the Medicaid program in any way.

**OPPONENTS
SAY:**

Texas should reimburse interpreter services for all providers, not just draw down federal funds with local money. Every Medicaid patient who is hard of hearing or whose English is not sufficiently comprehensive to cover medical terminology should have access to that service, as required under federal law. Because the state does not reimburse for the service, however, many providers rely on family members or office staff. It is inappropriate and poor practice to filter medical information through a patient's young child or a staff member who may know a few words of the language.

NOTES:

The fiscal note estimates no cost to the state and a gain of \$9.9 million in federal funds to participating entities based on \$6.6 million in local funds.

The companion bill, SB 376 by Madla, passed the Senate on March 17 on the Local and Uncontested Calendar and was reported favorably, without amendment, by the House Public Health Committee on April 27, making it eligible to be considered in lieu of HB 1396.

During the 2003 regular session, an identical bill, HB 1423 by Coleman, was reported favorably by the Public Health Committee and was recommended for the Local, Consent, and Resolutions Calendar, but no further action was taken.

A related bill, HB 3235 by Uresti, which would require Medicaid coverage for interpreter services for deaf or hard of hearing recipients or their parents or guardians, passed the House on April 27 and has been referred to the Senate Health and Human Services Committee.