

SUBJECT: Modifying continuous eligibility periods for children enrolled in Medicaid

COMMITTEE: Human Services — committee substitute recommended

VOTE: 9 ayes — Frank, Hinojosa, Hull, Klick, Meza, Neave, Noble, Rose,
Shaheen

0 nays

WITNESSES: For — Lindy McGee, American College of Physician Services Texas Chapter, Texas Academy of Family Physicians, Texas Children's Hospital, Texas Medical Association, and Texas Pediatric Society; Cesar Acosta, Central Texas Interfaith; Ana Maria Garza Cortez, Centromed and Texas Association of Community Health Centers; Christina Hoppe, Children's Hospital Association of Texas; Katie Mitten, Texans Care for Children; Linda Litzinger, Texas Parent to Parent; (*Registered, but did not testify*): Gregg Knaupe, Ascension Texas and Texas Association for Home Care and Hospice; Marisa Finley, Baylor Scott & White Health; Patricia Kolodzey, Blue Cross Blue Shield of Texas; Jason Sabo, Children at Risk; Michaela Bennett, Children's Health; Laura Guerra-Cardus, Children's Defense Fund -Texas; Amber Hausenfluck, CHRISTUS Health; Christine Wright, City of San Antonio; Dennis Borel, Coalition of Texans with Disabilities; Tim Schauer, Community Health Choice; Roberto Haddad, Doctors Hospital at Renaissance (DHR Health); Michael Dole, Driscoll Health Plan; Elisa Hernandez, El Paso Children's; Anne Dunkelberg, Every Texan (formerly CPPP); Susana Carranza, League of Women Voters of Texas; Lindsay Lanagan, Legacy Community Health; Myra Leo, Methodist Healthcare Ministries; Ana O'Quin, National Alliance on Mental Illness (NAMI) TX; Alison Mohr Boleware, National Association of Social Workers - Texas Chapter; Rebecca Galinsky and Hannah Mehta, Protect TX Fragile Kids; Maureen Milligan, Teaching Hospitals of Texas; Charles Miller, Texas 2036; Marshall Kenderdine, Texas Academy of Family Physicians; Gregg Knaupe, Texas Association For Home Care & Hospice; Laurie Vanhoose, Texas Association of Health Plans; Jennifer Biundo, Texas Campaign to Prevent Teen Pregnancy; Cameron Duncan, Texas Hospital Association; Joshua Houston, Texas Impact; Troy

Alexander and Dan Finch, Texas Medical Association; Jill Sutton, Texas Osteopathic Medical Association; Bonnie Bruce, Texas Society of Anesthesiologists; Kerrie Judice, TexProtects; Ashley Ford, The Arc of Texas; Jennifer Allmon, The Texas Catholic Conference of Bishops; Julie Wheeler, Travis County Commissioners Court; Ashley Harris, United Ways of Texas; Knox Kimberly, Upbring; Susan Burek; Idona Griffith; Georgia Keysor; Vanessa MacDougal; Suzanne Mitchell)

Against — None

On — (*Registered, but did not testify*: Janie Contreras, Health and Human Services Commission)

BACKGROUND: 42 U.S.C. sec. 1396a(e)(12) allows a state to provide that an individual who is under an age specified by the state, not to exceed 19 years old, and who is determined to be eligible for medical benefits under an approved state health care plan must remain eligible for those benefits until the earlier of the end of a period, not to exceed 12 months, following the eligibility determination or the time that the individual exceeds the specified age.

Human Resources Code sec. 32.0261 requires that the executive commissioner of the Health and Human Services Commission adopt rules to provide for a period of continuous eligibility for a child under 19 year old who is determined to be eligible for Medicaid in Texas. The rules must provide that a child remains eligible for medical assistance, without additional review by the commission and regardless of changes in the child's resources or income, until the earlier of the end of the six-month period following the date on which the child's eligibility for Medicaid was determined or the child's 19th birthday.

DIGEST: CSHB 290 would change the continuous eligibility period for children in the Texas Medicaid program from one to two consecutive periods of continuous eligibility between each certification and recertification of the child's eligibility for the program, provided certain income requirements were met. The Health and Human Services Commission (HHSC) could

not recertify a child's eligibility for the Medicaid program more than once every 12 months in accordance with federal law. Regardless of any provisions in the bill, a child's period of continuous eligibility for the Medicaid program would end on the child's 19th birthday.

Review of income. During the sixth month following the date a child's eligibility for the Medicaid program was certified, HHSC would be required to review the child's household income using electronic income data available to the commission and in a manner that complied with federal law. If the review indicated that the household income did not exceed the maximum income for Medicaid eligibility, the commission would have to provide a second continuous period of eligibility for the child until the child's annual recertification. If the review indicated that the household income exceeded the maximum allowed income for Medicaid eligibility, the commission could request additional documentation to verify the income in a manner that complied with federal law.

Upon determination that a child's household income exceeded the maximum allowed income for eligibility in the Medicaid program, the commission would be required to give the child's parent or guardian at least 30 days to provide documentation showing that the household income did not exceed the maximum allowed income. If the parent or guardian was able to provide the documentation within that time the commission would be required to provide the second period of continuous Medicaid eligibility to the child until the required annual recertification.

Notice of termination. If a child's parent or guardian failed to supply documentation that the household income did not exceed the maximum allowable income within the allotted 30 days, HHSC would be required to provide the parent or guardian with written notice of termination of the child's eligibility for the Medicaid program. This notice would have to include a statement that the child could be eligible for enrollment in the Children's Health Insurance Program (CHIP). The commission would have to consult with health care providers, children's health care advocates, family members of children enrolled in Medicaid, and other stakeholders in developing the termination notice to determine the most

user-friendly method to provide the notice to a child's parent or guardian.

Other provisions. The HHSC executive commissioner could adopt rules as necessary to implement the bill's provisions. If a state agency determined that a waiver or authorization from a federal agency was necessary for implementation of a provision before implementing it, the agency would be required to request the waiver or authorization and could delay implementing the provision until the waiver or authorization was granted.

The bill would take effect September 1, 2021.

**SUPPORTERS
SAY:**

CSHB 290 would ensure continuity of care for Texas children enrolled in Medicaid by providing two consecutive periods of continuous care for eligible children between annual certification and recertification. By addressing inefficiencies and inadequacies in the state's Medicaid system, the bill would streamline the Medicaid eligibility process for children, allowing for more children to continue receiving uninterrupted health care.

Currently Texas has the highest number and percentage of uninsured children in the country. After a decade of improvement, the numbers of uninsured Texan children began to worsen several years ago until the implementation of the current emergency federal requirement that Medicaid enrollment be maintained to prevent children from losing their health care coverage during the pandemic. CSHB 290 seeks to restore the Texas Medicaid policy that was in place from 2002 to 2014, which provided two consecutive six-month periods of continuous care, ensuring that fewer vulnerable children cycled on and off the program and were forced to go without health insurance.

The current Medicaid system for children is not working for families, providers, health plans, the Health and Human Services Commission (HHSC), or for local communities. Under this system, children enrolled in Medicaid receive six months of continuous care after they are determined to be eligible. This period is then followed by month-to-month income

checks until the recertification process is initiated. These frequent income checks are burdensome for the children's families, who are often working long hours or multiple jobs and have to provide relevant documentation within a small period of time. Administrative agencies also must process the numerous income reviews, which can involve fixing gaps in coverage for qualified children and addressing duplicative applications. If a family misses a deadline, or a mistake is made in the processing of an application, a child's health coverage can be terminated, which may lead to worse health outcomes for the child and to costly hospital interventions that burden counties and local taxpayers through payment for uncompensated care.

The value of Medicaid grows exponentially the longer a child has continuous coverage, as the continuity of care allows physicians to provide medically appropriate preventative and primary care for the child as well as referrals to specialists for more complex conditions. If there are gaps in coverage for children then appointments may be missed, physician practice burdens are increased, and the inability to access preventable treatment can lead to treatment for an emergency situation. CSHB 290 would reduce the number of children cycling on and off of insurance during the year, allowing doctors and plans to provide children enrolled in Medicaid with a stable source of high-quality care and leading to better health outcomes.

CSHB 290 would allow for continued state oversight while helping to eliminate inefficient and unnecessary bureaucratic hurdles. The bill would provide for a mid-year income check, giving a child's parent or guardian sufficient opportunity to address findings that their child may be ineligible for continued healthcare due to household income before the child's coverage was terminated. The bill also would maintain current Medicaid eligibility criteria, and it would require that notice to be provided to a parent or guardian of a child whose Medicaid coverage was terminated letting them know that the child could qualify for CHIP. This would reduce the likelihood that a child remained uninsured after Medicaid enrollment was terminated.

CRITICS
SAY:

No concerns identified.