

Texas CHIP Coalition Minutes  
Friday, March 24, 11:00 a.m. - 1:00 p.m.  
May Owen Conference Room, 10<sup>th</sup> floor  
Texas Medical Association

Anne Dunkelberg called the meeting to order at 11:00 a.m.

Lisa Carruth with HHSC's Financial Division discussed a handout she provided with Medicaid and CHIP caseload history from fiscal year 1995 to current, based on data completed through March 2006. HHSC will eventually have this report updated and available to the public on a monthly basis. In the report, children are separated by so-called premium risk groups, rather than by age (thus children and teens who are eligible due to disability, maternity, or who are TANF parents will not show up as minors in this report format). Some external factors that affect caseloads are policy changes, Hurricane Katrina, system issues related to the IEE roll-out, as well as "client behavior", such as renewal responses and new application rates. Client behavior is affected by confusion of the application/renewal processes and by new technology. These unanticipated changes in enrollment trends will complicate the task of projecting caseloads in the budget development process which is about to begin in preparation for the regular 2007 Legislative session

Rick Allgeyer, with HHSC's Center for Strategic Decision Support acknowledged that recent CHIP enrollment numbers (301,911 for March) were attributed to issues with Texas Access Alliance (TAA). The continued drop in CHIP enrollees since December 2005 can be attributed to policy changes and system issues during the contractor transition. Problems and discrepancies with the coding sets between ACS and the new TAA contractor are examples of system issues. In addition, TAA has had difficulty providing CHIP health plans or contracted CBOs with accurate enrollment and renewal files. HHSC is working with TAA to resolve system issues to create accurate data on renewals that is comparable to historical reporting. HHSC is also working with TAA to develop reporting on current and historic CHIP application rates, which have not been available to this point. Supplemental files have been used to reinstate coverage of children for March coverage who received inaccurate enrollment fee correspondence, and will be used to extend enrollment in April. When asked whether the economy was a factor, HHSC staff indicated that the economy might be expected to have modest and gradual effects on caseload, not the abrupt changes seen in recent months.

Tracy Henderson also with HHSC's Financial Division discussed the key dates and issues regarding the FY2008-2009 LAR (Legislative Appropriations Request) Development. Thus far, HHSC has not received any instructions from the Governor's office regarding the LAR. HHSC is currently reviewing 2006 expenditures and meeting with staff about FY 2007. They are anticipating a shortfall for Medicaid appropriations, largely due to the line-item veto of funding for the state's payment to the federal government for Medicaid Part D costs of Medicaid-Medicare dual eligibles (the so-called "claw-back" payment). FY 2006 had a small surplus, and that money will likely be transferred to other Health and Human Services agencies. CHIP currently has a surplus of appropriations due to the delay in start-up of the CHIP Perinate Program and the delay in CHIP dental benefits. Expenditures in 06 and 07 will become the base for 08 and 09 appropriations, and programs that are implemented in the middle of the biennium (and thus only have 12 months of funding) will present a challenge for the LAR. She noted that when

the CHIP perinate program is fully implemented, Texas may get close to exhausting our federal CHIP block grant allocation by 2010. The outcome of federal CHIP reauthorization in 2007 will affect how tight the funding is (i.e., whether or not Congress increases CHIP funding).

Aurora LeBrun discussed HHSC's efforts to curb the CHIP and children's Medicaid enrollment losses. She acknowledged that mistakes have been made in the transition and they are undertaking additional outreach/educational efforts with CHIP eligible families, including phone calls and letters to families whose applications were not received, were incomplete, or did not include payment of the enrollment fee. These efforts were to be coupled with an extension of CHIP coverage thru 3/31/06 for children poised to lose coverage effective 4/1/06 if information was not returned by 3/20. A supplemental enrollment file will be expedited to the health plans to cover kids enrolled or renewed during these last 11 days of March; this will delay the final April enrollment numbers. Representatives of several HHSC-contracted CBOs reported that they were unaware of this TAA activity and that their actions might be tripping over those of TAA. Ms. LeBrun acknowledged that communication with the contracted CBOs as well as other advocates needed to be improved. She also discussed the initiation of a new outreach campaign regarding children's Medicaid and CHIP. They are in the process of hiring a media firm to produce materials, including television ads in both English and Spanish. Aurora was very receptive to input about coordination with the CBOs and CHIP health plans. There are still a lot of problems attributed to the recent transitions, but HHSC is dedicating itself to reversing the trend.

Ms. LeBrun offered to attend the April meeting should her schedule permit, to allow for further discussion.

Please note the next CHIP coalition meeting will be held on **Friday, April 21**, 11am-1pm at TMA, 401 W.15<sup>th</sup> Street, in the May Owen Conference Room, 10<sup>th</sup> floor.

With no other agenda items, the CHIP Coalition meeting adjourned at 1:00 p.m.