**Texas CHC Coalition**
Meeting Minutes

*November 18, 2016*

Present:
Adriana Kohler, Texans Care for Children
Stephanie Rubin, Texans Care for Children
Rebecca Hornbach, Texans Care for Children
Anne Dunkelberg, CPPP
Helen Kent-Davis, TMA
Michelle Romero, TMA
Sara Gonzalez, THA
Ashley Howard, NASW-Tx
Patrick Bresette, CDF- Tx
Alice Bufkin, Healthy Futures of Texas
Leah Gonzales, Healthy Futures of Texas
Kathy Eckstein, Children's Hospital Association of Texas
Paul Townsend, Children's Hospital Association of Texas

Kit Abney, Central Health
Renee Poisson, Texas Nurse Practioners
Grace Chimene, League of Women Voters of Texas
Valerie Eubert, HHSC-AES
Gina Perez, HHSC-AES

On the phone:
Melissa McChesney, CPPP
Kit Abney, Central Health
Renee Poisson, Texas Nurse Practioners
RexAnn Shotwell, TACHC
Betsy Coats, Maxims
Shannon Lucas, March of Dimes
Christina Phamvu, Methodist Healthcare Ministries
Joanna Carlson, Texans Care
Janie Matzinger, Mental Health
Peggy Gomez, Maximus

Chair: Anne Dunkelberg, CPPP
Minutes Scribe: Kamia Rathore, Center for Public Policy Priorities
Next meeting: December 16, 2016

**I. Legislative Agenda Vote and Strategy Discussion** *(Anne Dunkelberg, CPPP)*

- **Adriana**: I can flag what's different in the agenda after last month's discussion. Under point 1, 1 added a sentence to address payment rates and updates to professional fees to add nuance, and ended with a sentence that says increases to provider rates should match cost of doing business. For section 3b, we had a discussion on what the policy ask was on perinatal depression and we bolded those specific policy asks so they wouldn't get lost in the background. We also added some citations to the agenda.
- **Patrick**: Just as a heads up to people, we've had some interest in filing a bill to encourage school districts to create a process to identify uninsured students and refer them to the appropriate services like Medicaid. Our California colleagues have legislation like this, and we've talked to a member's office that seems intrigued. If it does get filed we have the tentative support of CASA and some other partners.
- **Administrative point**: A sign-on sheet will be distributed and a two-week period will be opened for members not present at the meeting to voice concerns with the agenda. At the December meeting, the agenda will be finalized along with a list of organizations that have signed on.

**II. Early Child Intervention (ECI) Report** *(Stephanie Rubin and Rebecca Hornbach, Texans Care)*

- *See slides below*
- **Stephanie**: As a note, we've got an update on the policy recommendations related to this report and ECI, as we continue to get updates from HHSC. The starting point of this report was the 2011 funding reductions and policy changes in ECI: we saw there was very little discussion of the impact these actions would have on kids. So, we decided to look into the state data and other qualitative information we could gather.
- To take a step back, early childhood intervention is the state's special education program for babies and toddlers. Not every state has to have one, and Texas applies for federal funding from IDEA Part C that comes with certain guidelines. One of those requirements is that the program must serve every eligible child. The state has some parameters to set eligibility criteria.
- The way it's administered in Texas is that non-profit providers contract with state through HHSC and get a set amount of money based on their projected enrollment, past enrollment, and service needs. Their requirement as a provider is to serve every eligible child, whether they have the money to do so or not. So, this can be very challenging program for non-profits to administer.
- The cuts in funding show a lack of understanding of what ECI does, how it's administered, and if it's efficient. It seems like it's become a target, and lacked a broad enough coalition of supporters backing it up.
- Right now there are only 47 providers, they're non-profits with limited budgets and they can't really lobby for the program. Most of the groups who have advocated for ECI are health groups, but the early education community has been quieter on ECI. One of our goals this session is to get early education more engaged on this because ECI is a part of the early education pipeline and getting kids on the right developmental track.
- ECI serves about 50,000 kids in the state. It's targeted towards kids with disabilities like physical developmental delays. Non-profit providers typically go to the child's home or where child care is and do the services. The parents or caregivers are there and they work with the family to mirror these activities and supports at home. It's a comprehensive family support system, compared to other therapy services that are not geared towards helping the family provide support at home.
- ECI is for babies up to 36 months, and the state sets the eligibility criteria. In Texas, we're moderately generous; some states are more generous, others are less. The funding sources are a combination of

federal and state. The federal is IDEA, TANF, Medicaid—and I should remind everyone, every child based on the disability is eligible. There's no income restriction. If you are Medicaid eligible, then it is free. For anything above 100 of the FPL, there's a sliding scale of fees. If you have insurance, you can bill that, but there are challenges with timeliness of private insurers paying or not paying the full cost of services. Texas relies more on federal dollars compared to other states to support the program. Private insurance is an issue we're assessing potential legislation on, but most private insurers don't cover the three key components that are reimbursed by Medicaid: specialized skills training (SST), targeted case management, and speech therapy. We're working on a memo outlining what Texas ECI does, what other states do, and some opportunities.

- **Kathy**: Is speech therapy not a part of the ACA?
- **Adriana**: It's been clarified as part of the essential health benefits but essential benefit requirements only apply for individual plans and small group plans. So there's a big part of the market that isn't subject to those requirements, and its often not covered by large employers and the self-insured.
- **Stephanie**: The other key component is SST, which is offered by licensed staff who are credentialed by state but are not part of a national credentialed group of providers. So insurers often won't pay for the service, but Medicaid does.
- So as we mentioned, funding reductions started in 2011, along with policy changes and reductions in eligibility and therapy rate cuts. The estimation at the time was that eligibility would be reduced by about nine percent. We collected state enrollment data, surveyed all ECI providers, and reviewed state population changes, as well as conducted interviews with families, pediatricians and ECI contractors.
- We found the ECI funding fell as the population of young kids rose
    - 3% growth statewide in children 0-3
- Statewide enrollment dropped by 14% since 2011, with a much larger drop in certain areas: Travis, Dallas, East Texas, Houston. There was a disproportionate impact on black families, who experienced a 26% drop.
- Given administrative strain, three contractors left program this year. In May, DARS submitted a request to the Legislative Budget Board (LBB) for $11 million of part C IDEA money to cover caseload growth. They were denied funding to cover the caseload growth, and $2 million was instead allocated for new providers. 14 providers say they don't have enough money to get past April.
- Another source of strain for ECI agencies is the challenge to collect family fees, which is not a transparent amount of money. ECI providers say that in general the administrative time it takes to collect this fee costs more than what they get in return, and it's an inefficient system. Targeted case management is something we're looking at, and we've been asking HHSC for more information about this. The other challenge for these groups is that given private insurance gets billed late, the majority of these groups tap into local fundraising to cover the cost of this state-administered program. Contractors complain that when more eligible kids come in, it is nearly impossible to get more money from the state. This is a financial risk on the shoulders of the providers.
- Providers tell us that many kids are coming in with higher needs—this may be an issue with lack of prenatal care, but it's an area we want to look into.
- HHSC has indicated to us that they are going to request additional funding for caseload growth over 2017-2019.
- The majority of ECI providers say they've cut back on their efforts to find eligible children to enroll ("childfind"), due to budget strain. This may explain part of the enrollment drop. We've asked the state to sufficiently fund these programs. We've also asked the state to investigate the disproportionate

impact of funding cuts. We also want to improve the framework to support contractors. We'd also like to make some headway on the private insurance piece.

- Our next steps are engaging at community level to see why the drops occurred. We'd like to look at areas where enrollment stayed relatively the same, like the Valley and San Antonio. There is a question if managed care understands how ECI is important, and this seems like an area where education could use some improvement. Additionally, if the therapy rate cuts – pending or future—get implemented, we'd have to assess the impact of that on ECI. We're also thinking about transition to Part B programs that take place in school, and how to engage schools as a part of that process.

**III. Establish Workgroup for CHC Coalition Legislative Briefing (***Anne Dunkelberg, CPPP)*

- Will be held January 19th, 2017 from 12:30 – 4:30
- More details will be established once co-leads are determined
- Workgroup will determine funding, program, speakers

**IV. Elections Debrief: Implications for our Coalition Work** *(Group discussion)*

- *A group discussion of the impact of the election for the coalition's work was led by Eric Woomer, a lobbyist for Texas Pediatric Society*
- **Eric**: This election does create some uncertainty, nationally and within Texas. The question politically was what the election would do down ballot if Republicans underperformed. In Texas, Republicans in the legislature were not really knocked off. Several friends of medicine kept their seats, like Cindy Burkett, Sarah Davis, and a number of others.
- I think the previous low water mark for Republicans was 57 percent for Romney, and Trump was around 52. He did underperform relative to past presidential candidates. That suggests to me that his message of jobs, NAFTA, and trade did not resonate with Texans the way it did with folks in Pennsylvania and Wisconsin, where people have seen jobs depart because of those policies. The other piece to this was a desire for a change candidate, and the primaries showed this as well.
- The implications for access to health care are uncertain. Texas is in a relatively clearer position because it did not expand Medicaid. What's going to happened to the states that did expand? What about the 1115 waiver? You could make an argument that block grants are more likely to happen than nothing. We may get along better with this administration. It does profoundly change the narrative for groups like the CHC Coalition. It's hard to advocate for Medicaid expansion or waivers when the reality is that legislators are unlikely to see that as viable at this point.
- **Anne**: We have more specific concerns and priorities regarding quality and access. I gather that some of the uncertainty stems from the fact that we don't know how this administration will act and how the state will respond. There is a disconnect with state policy when the President has said that he wants everyone to be covered and that it should be cheaper. I don't know whether we can expect anything to come out of that, but there are implications that things might not be the same as other Republican administrations.
- **Eric**: We really don't know what to expect from the top. He doesn't have an overwhelming mandate. On the other hand, I think that our state leadership thinks this is an endorsement of their agenda. I can't imagine state leadership softening their position on Obamacare. I think they will feel emboldened to pursue their agenda, regardless of whether the president changes his agenda.
- **Anne**: I agree, but I think they must be facing some of the same uncertainty because he has said things that are very different from what they would suggest.
- **Eric:** There is a friction between individual legislators and their responsiveness to their political communities. I think this election may further erode dialogue between the two houses, and I think there

will be a pressure to insulate members from certain issues. So where your issue stacks up politically is as big of a consideration as where you think it may be as a good policy.

- **Helen**: There also may be some interest in using Texas as test case for a block grant on Medicaid.
- **Anne**: And CHIP reauthorization will happen in 2017. The House Republican plan from the summer gave states a choice between per capita funding of Medicaid or a block grant for states. For states that hadn't expanded Medicaid, they wouldn't have access to those funds. For the states who had expanded, they'd lose the enhanced match rate and it would revert to the current match rate. This isn't the first time that block grants have been proposed and governors do push back on this. Expanded states will fight to keep funding. There is a difference between what you say as a budget hawk and an ideologue.
- **Helen**: We had a session where we walked through what might happen if block granting went through and it did change some opinions. There is a lot of uncertainty created when you go from an entitlement program to a block grant. I think you can impress upon people what the financial implications are.
- **Eric**: I don't know where the block grant specifics might line up, but this will be as conservative as a session.
- **Helen:** I do think if we have enough other states looking at their budgets, there will be pushback.
- **Anne:** The ongoing question is what happens if we lose that funding, particularly if we lose waiver funds. That's a huge hit on hospitals and we don't have anything in the current repeal and replace discussion about hospital funding. We should also keep in mind that in previous Republican administrations, OMB's influence ascended. At that point, there was not this push for expanding coverage and the question became about methods of financing. So we can't be sure that OMB will stop saying things about how waivers are funded because the administration has changed. The silver lining could be the opportunity to have regional approaches to coverage expansion.
- **Sara**: This isn't a question of what'll happening overnight, but what will eventually happen. We don't yet know what does the phase out looks like.

**V. Update from HHSC Access & Eligibility Services Division** *(Gina Perez, HHSC and Valerie Eubert, HHSC)*

- *See slides below*

*Telephonic signatures*

- **Gina**: The ACA required offering the ability to apply through 211 and telephonically sign for their application. Effective in September, we implemented telephonic signatures. Individuals can apply by calling 211 for Medicaid, CHIP, and the Healthy Texas Women program. This is for applications, renewals, and to change their authorized representative.

*ABAWD work requirements for pregnant women on SNAP*

- **Gina:** We had an audit performed on our Employment & Training program through FNS. We found that we were giving an E&T exemption for pregnant women. So women who were pregnant didn't have to comply with the E&T requirements. We did not change the time-limits for ABAWD women who are pregnant. Pregnant women are required to cooperate with E&T requirements.
- The only exemptions that the state is going to allow in the E&T program are required federal exemptions, and pregnant women are not a required federal exemption. By federally, we mean the Code of Federal Regulations. These exemptions include individuals, for example, with a child under six.
- In our bulletin, we reminded staff that they have to look to whether the individual is eligible for another exemption. So for example, if she is not able to work due to her pregnancy and its considered a disability, then just like anybody else with a temporary disability, they can get for 1836 signed by their doctor which says they cannot work. So there is an opportunity for exemption. This policy is in

collaboration with the Texas Workforce Commission because they are responsible for the Employment and Training Program. We are only doing the exemptions that are federally required.

- **Patrick**: Could you say a little bit more about the interaction with time limits and pregnant women?
- **Gina:** If ABAWD women are pregnant, there is not a time limit on the benefits they can receive. If a pregnant woman does not have any children under 18 and she is within the ABAWD age range (18 – 50), she does not have the time limit. Under SNAP policy, ABAWDS are eligible for up to three months of benefits unless they participate in E&T activities.

*Cover letter*

- **Gina:** We are looking at our renewal cover letter and redesigning it. We sent it to the coalition for feedback and we have made some changes based on your suggestions. We wanted to make it clearer on the Medicaid/CHIP notice when no action is required. We also made it clear on the form for Medicaid for the elderly and those with disabilities that if they could not go online, they could use alternative methods. Our next steps are putting the changes into a release so we can make the changes to the notice. We'll let you know when that is done. We also want to continue getting feedback from this group, and we will forward those opportunities along.

*Updates on children retroactive coverage in DFPS coverage*

- **Valerie:** There have been questions about children taken into DFPS custody in the hospital and concerns about retroactive Medicaid coverage for those children. There is a process for this that we've had in place for years, but it seems like something may have fallen out of practice. We may need to work on education if this is a recurring issue.
- **Gina:** The process in place is that DFPS staff files a form to apply for retroactive coverage back to birth in certain circumstances. There shouldn't be an issue where children in hospitals that are removed from custody who don't have any coverage are having to pay for birth and the stay in the hospital. If folks are experiencing that, we want to make sure people are aware of this process.
- **Gina:** DFPS works with us to get retroactive coverage. When they take custody of the child and they provide for foster care Medicaid, they can only use that from the day that they have custody, which is not usually the date of birth. So we can meet again with DFPS and make sure they are aware of this process and necessary steps required.

Will Francis of NASW-Tx will chair the December 16th meeting, which is an OTA meeting.

# LEFT OUT

## The Impact of State Cuts to Early Childhood Intervention (ECI) for Young Texas Kids with Disabilities

TEXANS CARE for CHILDREN

METHODIST HEALTHCARE MINISTRIES
OF SOUTH TEXAS, INC.
*"Serving Humanity to Honor God"*

# WHAT IS ECI

- Comprehensive supports for kids 0 – 3 with disabilities and developmental delays and their families
- Proven effective
- Services at home or child care
- IDEA Part C Program (Part B is the school-based program)
- State sets eligibility criteria (based on disability) but open to all income levels
- ECI contractors all non-profits (community orgs, schools, LMHAs)

# ECI FUNDING SOURCES

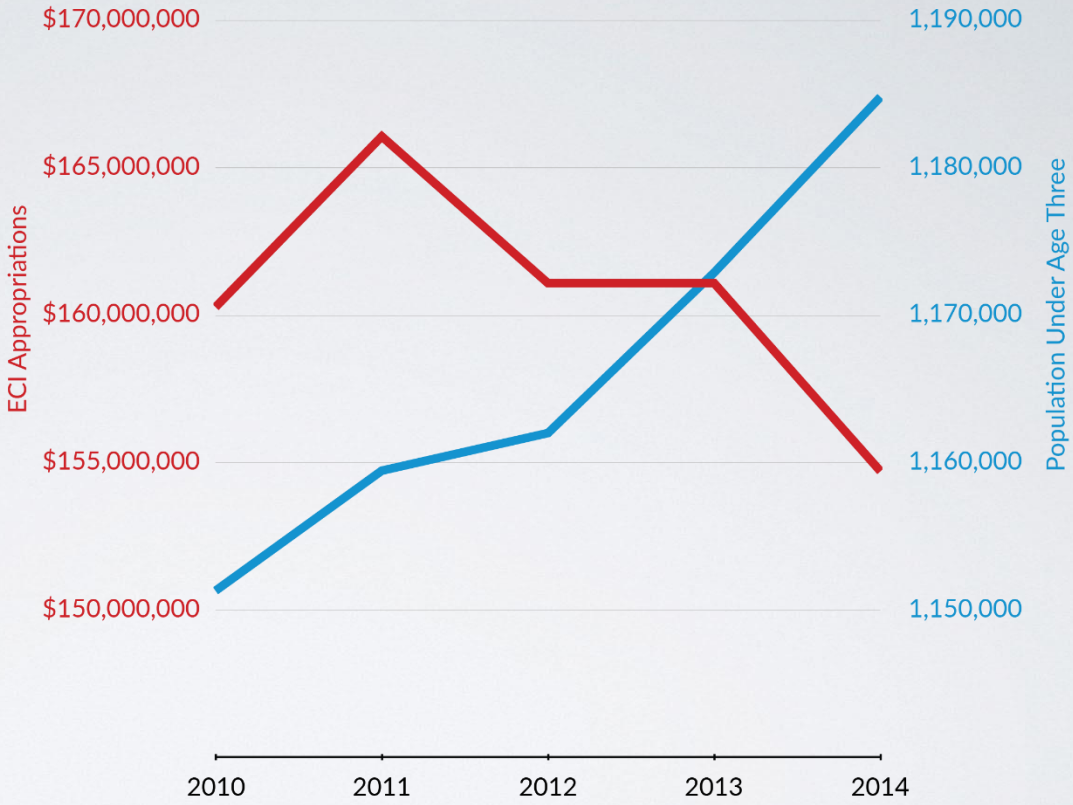
- Federal + state: IDEA, Medicaid, private insurance, TANF, Foundation School Funds, CHIP, local contributions/donations
- No cost for Medicaid-eligible families (66% of those served)
- Families above 100% FPL pay a “Family Cost Share” on a sliding scale
- Federal entitlement, state-administered by HHSC (formerly DARS)
- TX relies heavily on federal dollars as compared to other states
- Private insurance does not cover all Medicaid-eligible services, leaving state on hook

# RESEARCH PLAN

- How have reduced funding since 2011, policy changes and 2015 therapy rate cuts all impacted kids and families?
- Collected state data on ECI enrollment since 2010
- Surveyed all 49 ECI providers in early 2016
- Reviewed state population data for kids 0 -3
- Reviewed research on ECI effectiveness and federal data on Part C programs
- Interviewed families, pediatricians, child care, ECI contractors

# REPORT FINDINGS

# STATE ECI FUNDING FELL AS THE POPULATION ROSE



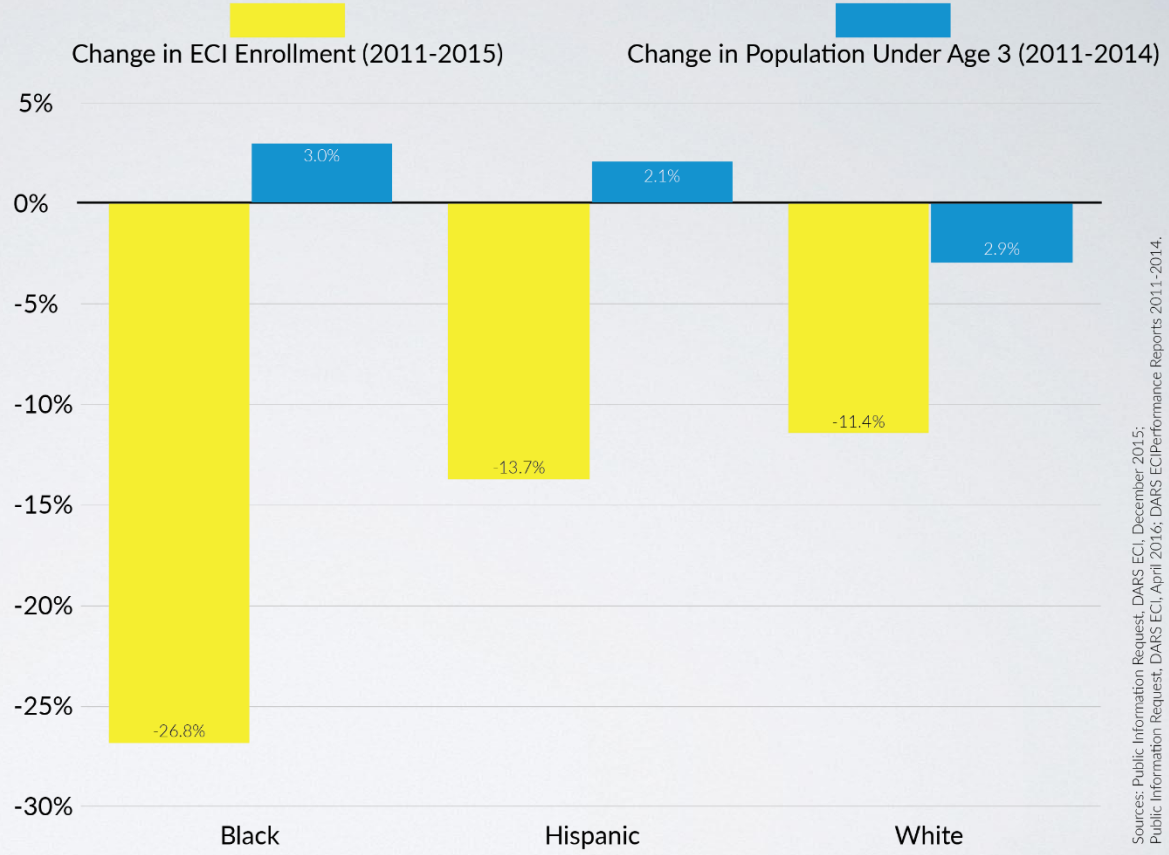

Population data source: Texas Demographic Center.
Appropriation Sources: Treviño R. & Willis R. A. (January 14, 2016) *Early Childhood Intervention Summit – Appropriations, Performance Measures and Financial Reporting* [PowerPoint slides]. (Used for 2012-2014 data).
T.X. Legis. Assemb. Reg. Sess. 2. (2009). General Appropriations Act for the 2010-11 Biennium. (Used for 2010 and 2011 data).

TEXANS CARE for CHILDREN

# 2011-2015 ENROLLMENT DROPS

- 14% average statewide drop since 2011
- 20% – 30% declines in Dallas, Houston, Travis, East Texas
- Largest declines in more highly populated cities were 37% in Collin County, 32% in Denton County, 31% in Harris County
- Disproportionate impact on Black families (26% drop)
- One year average drop of 17% in 2012 after eligibility change but many counties saw drops much steeper and/or declines continued

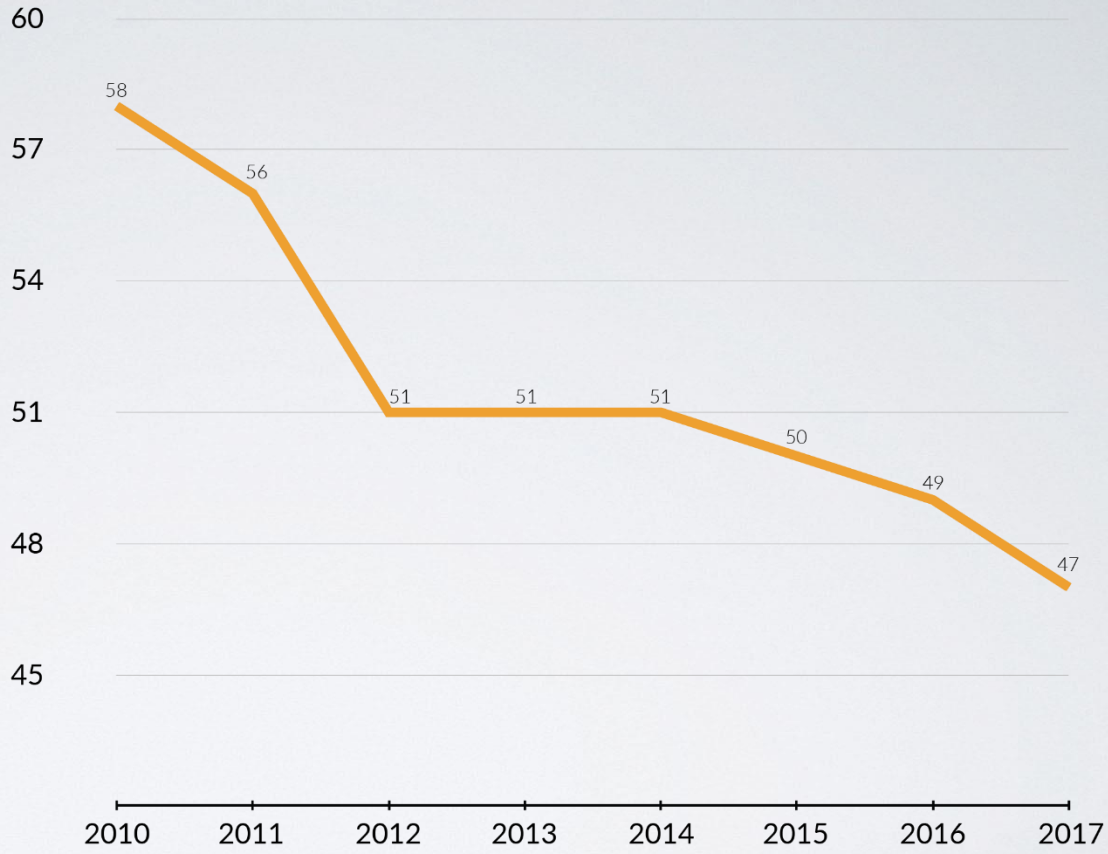
# ENROLLMENT DECLINED FOR ALL TODDLERS AND BABIES, BUT ESPECIALLY BLACK KIDS




Sources: Public Information Request, DARS ECI, December 2015; Public Information Request, DARS ECI, April 2016; DARS ECIPerformance Reports 2011-2014.

TEXANS CARE for CHILDREN

# THE NUMBER OF ECI CONTRACTORS FELL




Source: Public Information Request, DARS ECI, December 2015

TEXANS CARE for CHILDREN

# STRAIN ON ECI AGENCIES

- Challenges in collecting Family Cost Share payments
- State targets for Targeted Case Management (TCM) billing too high
- Delayed reimbursement from private insurance
- Host agencies cover unreimbursed funds via local fundraising
- Cannot count on mid-year funding adjustments from state
- Contract requirements put the financial risk/burden on non-profit ECI contractors if enrollment is higher than expected

# POLICY RECOMMENDATIONS

- Full funding for ECI to ensure all eligible kids are served (LAR Exceptional Item does not cover population growth)
- Sufficient funding for Child Find
- Stop therapy rate cuts
- Investigate and address disproportionate impact
- Revise administrative framework to reduce fiscal strain on ECI contractors
- Require private insurance to cover Medicaid-eligible services

# NEXT RESEARCH STEPS

Community engagement efforts to explore:

- Gaps in Child Find community outreach and best practices
- Gaps in developmental screening/referral systems and best practices
- Impact of Family Cost Share on enrollment
- MCO understanding of ECI and benefits of serving more eligible kids
- Impact of therapy rate cuts
- Transition to Part B pre-k programs

# ONWARD TOGETHER!

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- Follows us on Facebook/TexansCare
- Email me at srubin@txchildren.org


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TEXAS
Health and Human
Services Commission

# Access and Eligibility Services
## Policy Updates

November 18, 2016

# AES Program and Policy Updates

- Telephonic Signatures
- Able-Bodied Adults Without Dependents (ABAWDs) in Supplemental Nutrition Assistance Program (SNAP)
- Renewal  Cover Letter Feedback

# Telephonic Signatures

## New Ability to Sign by Telephone

- Effective September 2016, individuals can sign an application, renewal, and Authorized Representative (AR) change by calling 2-1-1 for Medicaid, Children's Health Insurance Program (CHIP) and Healthy Texas Women (HTW).

| | Prior to Implementation | | | After Implementation | | |
|---|---|---|---|---|---|---|
| | Medicaid | CHIP | HTW | Medicaid | CHIP | HTW |
| Complete an application by phone | ✓ | ✓ | | ✓ | ✓ | ✓ |
| Sign an application by phone | | | | ✓ | ✓ | ✓ |
| Complete and sign a renewal by phone | | | | ✓ | ✓ | ✓ |
| Sign an AR change by phone | | | | ✓ | ✓ | * |

*HTW does not have ARs.

# Able-Bodied Adults Without Dependents (ABAWDs) in SNAP

- Able-Bodied Adults Without Dependents (ABAWDs) are subset of the Supplemental Nutrition Assistance Program (SNAP) population.
  - An individual age 18 up to age 50 who is physically and mentally able to work at least 20 hours a week, does not have a household member under age 18, and is not pregnant.
  - ABAWDs are subject to SNAP time limits unless they meet additional requirements, such as working 20 hours a week.
- Texas has a SNAP Employment & Training program in which all SNAP mandatory work registrants must meet general SNAP work requirements.
  - SNAP participants who are not specifically exempted by federal law are subject to work requirements as a condition of eligibility.
  - ABAWDS and non-ABAWDS may be required to meet SNAP work requirements.
- HHSC recently released clarification that the three-to nine-month pregnancy exemption is not a valid federal work registration exemption.
  - This policy change does not impact exemptions from SNAP ABAWD time limits. Pregnant women remain exempt from the SNAP ABAWD time limits.

# Renewal Cover Letter Feedback

- HHSC requested feedback about the redesign of the Medicaid and CHIP Renewal cover letter from the Children's Health Coverage Coalition.
- HHSC received one comment submission from the Coalition.
- This feedback will be incorporated into the cover letter.
- Next Steps.