

Texas CHIP Coalition Minutes
Friday, April 24, 2009 - 12:00-2:00 p.m.
Thompson Auditorium, 1st Floor
Texas Medical Association

Attendees: Debbie Berndt, *Hogg Foundation*; Miryam Bujanda, *Methodist Healthcare Ministries*; Robin Butler, *Children's Hospital Association of Texas*; Jose Gonzalez, *Driscoll Children's Hospital*; Laura Guerra-Cardus, *Children's Defense Fund*; Shane Casady, *Driscoll Children's Hospital*; Anne Dunkelberg, *Center for Public Policy Priorities*; Kevin Denmark, *Maximus*; Shannon Foster, *Seton Health Plan*; Shelton Green, *Christian Life Commission*; Durquia Guillen, *Any Baby Can*; Tracey Henderson, *HHSC*; Helen Kent-Davis, *Texas Medical Association*; Alison Little, *Texas Care for Children*; James Mason, *Texas Impact*; Scott McAninch, *San Antonio Non-Profit Council*; Blanche Rosas, *HHSC*; Morgan Sanders, *March of Dimes*; Melissa Shannon, *CPPP*; RexAnn Shotwell, *insure-a-kid*; Kit Abney Spelce, *insure-a-kid*; Candise Spikes, *Catholic Health Association of Texas*; Stacy Warren, *Texas Medical Association*.

Via conference call: Jennifer Banda, *Texas Hospital Association*; Julia Easley, *Children's Medical Center*, Amy Casso & Noah, *La Fe*; Barbara Maxwell, *Texas Association of Health Plans*, Anna Severy *Dallas Regional Chamber of Commerce*.

Ms. Dunkelberg called the meeting to order at 12:15 pm.

Coverage Agenda Update

Ms Dunkelberg opened up discussion regarding the coverage agenda, noting that while there has been a lot of movement on many of the issues on the CHIP Coalition agenda, nothing has been settled. Senator Averitt has been working on getting SB 841 out of Finance, however, the committee is reluctant to let any bills out for a vote which carry a fiscal note. Members agreed that it might be appropriate to send out a call to action to Senator Ogden.

Ms Dunkelberg informed the group that the SB 841 may be kicked out without the full cost buy-in, but reassured the Coalition that Sen. Averitt was making technical changes to reassure legislators that it will not increase the costs to the state. HHSC has expressed some anxiety that CMS may take back federal funds if they think the full-cost population is driving up the average cost for the entire CHIP pool. To date 12 states have implemented a full-cost buy-in for CHIP and none have ever been needed to reimburse the federal government for those enrolled in the full-cost buy-in.

There has also been a lot of activity in the House on bills related to the CHIP agenda. Representative Rose's HB 1329, HB 2962 and Turner's HB 1541 were noted of special interest. Ms Dunkelberg noted that it can be difficult keeping track of the bill numbers, in coordinating calls to action, the message should focus on expanding coverage for 200-300 FPL and 12 month continuous coverage on Medicaid rather than on bill numbers.

Outreach Update

Dr. Laura Guerra-Cardus wanted to celebrate the achievements and teamwork on coordinating an action alert focusing on 12 month continuous coverage for Medicaid. It was believed that the

Senate was planning on killing the proposal. Within two weeks the Texas Finish Line Campaign was able to coordinate a press conference featuring Bruce LaBoon of the Greater Houston Partnership, several health plans, and HEB corporate leaders. The event received coverage in nearly every media outlet in the state. There was an action alert coordinated with the same message, with at least 1,000 calls made in support of 12 month coverage. Subsequently, the House found three ways of providing funds for the provision.

Ms Bujanda also wanted to thank all the Coalition members who helped spread the word on the call to action for 12 month coverage. She informed the group on their success, 700 calls logged to Speaker Straus and the House Human Services Committee. Ms Bujanda stressed the fact that more work is necessary to maintain momentum. The next step will target Conference Committee members and perhaps Lt Gov Dewhurst. Ms Bujanda asked members to send an update to their contacts on the achievements made, so that we can double the momentum. She stressed that the next effort will need to make it broader to appeal to a wider range of constituents, highlighting the accomplishments this session for the Children of Texas.

In Harm's Way Update

Dr Guerra-Cardus informed the group of the press conference for the Children's Defense Fund's report *In Harm's Way*. She wanted to thank everyone for their help and support, particularly with the story banking effort. To enhance the message behind the *In Harm's Way* report, Methodist Health Ministries compiled projected numbers of uninsured children in Texas, by county from 2010. It should be noted that the numbers are not a perfect match because they focus on children under the age of 18, while CHIP and Medicaid enrollment figures include young people aged 18. Still the figures from MHM and the State Demographer's office provide a good indication of how Texas is getting on in covering children. Ms Dunkelberg committed to distributing the new figures to the listserv.

Insurance Legislative Update

Mr Mason provided a brief update on some of the most relevant bills on private insurance. The Texas Department of Insurance's Sunset bill by Sen. Hegar was passed through with 4 major amendments include:

- change the TDI sunset date from 12 years out to 6 years.
- a requirement for TDI to conduct a study on the use and effects of data mining in all lines of insurance.
- make it illegal for insurance companies to pay bonuses or set quotas for health insurance policy rescissions
- increase the financial penalty a homeowners insurance company must pay when a rate increase is determined to be excessive.

Other Bills of Interest

Rep. Rose's HB 3264 Medical Loss Ratio data posting bill is still being considered. SB 6 Healthy Texas Bill and SB 1771 (COBRA subsidies) have been referred to the House Insurance Committee.

Stacey Pogue of CPPP continues to meet with interested stakeholders on Friday mornings in room E2.018 at the Capitol throughout the session.

Infant Health Update

Ms Little and Ms Sanders informed the group of the Infant Health Alliance they have formed, which focuses on legislation dealing with infant health. The alliance has compiled a list of relevant bills, only half of which have had a hearing. Members can request an electronic copy of their bill tracking sheet and information on the alliance's next meeting by emailing: alittle@texanscareforchildren.org or visit their website <http://texanscareforchildren.org/innerpage.php?pageid=373>.

Texas Children's Mental Health Forum

Ms Berndt wanted to inform the Coalition of the Texas Children's Mental Health Forum, which is currently looking into new funding for mental health. The forum's goal is to create broad-based leadership for children's mental health among cross-interest groups at both the state and local levels and to advance a child mental health agenda for Texas. For more information on meeting times and to join the listserv please contact: deborah.berndt@austin.utexas.edu.

Tracey Henderson's Presentation on the HHSC Budget in the House & Senate

Ms Henderson began her presentation by noting that funding for exceptional items has been generally limited. In terms of Medicaid the Senate has taken the approach of reducing the HHSC Budget in General Revenue and replacing it with \$2.5 billion with ARRA (stimulus) funds. The 2009 FMAP rate is going to be higher than it was in FY 2008 because Texas received a 1% increase on top of the additional 6% bump in FMAP that all states received. The ARRA FMAP is dependent upon unemployment figures in the state.

Ms Henderson drew the group's attention to \$1 billion shortfall in Medicaid funding proposed by the Senate version of the budget (HHSC requested \$1.86 billion and the Senate proposed \$750 million, and the House added no funding for this item). The different proposals stem from differences in cost estimates proposed by the Legislative Budget Board (LBB). The LBB projects significantly lower enrollment numbers than HHSC among the population groups who are most costly to cover.

The Senate version of the Budget does include a provider rate increase of 2-3% focus on Medicaid and for dentists in CHIP, but not for primary care physicians in CHIP. She also noted that there are no increases in funding for hospitals in the House version. Ms Kent Davis commented that this will likely have a negative impact on the number of doctors that will chose to cover these patients and adult services.

Ms Henderson noted that the Exceptional Items listed in Article XI in both versions are a part of a 'wish-list', meaning they are not currently funded, it includes: a Medicaid buy-in program for children with disabilities, and increases in staffing levels and outreach. She explained that the House version funds a substantial part of the Medicaid buy in provision, but it remains a 'wish-list' item on the senate side.

CHIP is not included in the exceptional items, however it appears that the funding in both base seems sufficient to maintain the program. This may change though, if the income threshold increases beyond 200% FPL. The entire costs of the perinatal program may move into CHIP,

currently the cost of delivery is under Medicaid, and this may have long-term effects on the hospital reimbursement rates.

Group members wanted more information on the allocation for the Frew Strategic Initiatives. Ms Henderson explained that the Senate allocated \$150 million for the strategic initiative, and language was changed to add the \$117 million that was unspent in the previous biennium. The outcome will depend on further discussion, and many at HHSC are concerned with how they will be able to spend \$267 million within a 12 month period.

Members also expressed concern regarding insufficient staffing levels which prevents the state from taking advantage of ARRA funds quickly. They wanted to know if what percentage of funds would be available to increase staffing levels. Ms Henderson noted that the current budget did not include enough funds in the base, but she was hoping that Frew funds would help to alleviate the problem.

More information on the different budget proposals can be found at:
http://www.cppp.org/files/3/390_MedicaidCHIP.pdf

With no other agenda items the meeting was closed at 2:15 pm.