



84th Session Briefing for Legislative Staff
January 23, 2015

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**Texas Association of
Community Health Centers**



Physicians Caring for Texans



**Texas Pediatric Society -
Texas Chapter of the American
Academy of Pediatrics**



**Children's Hospital
Association of
Texas**





www.texaschip.org

The Texas CHIP Coalition was formed in 1998 to work for the establishment of a strong Children's Health Insurance Program in Texas. Today, our broad-based Coalition continues to work to improve access to health care for all Texas children, whether through Medicaid, CHIP, or private insurance.

Texas Kids' Uninsured Rate Drops, Thanks to CHIP and Medicaid

- Since 2000, Texas CHIP and streamlined children's Medicaid have provided health coverage for 2.4 million more Texas children.
 - In May 2000, just under a million Texas kids had Medicaid, and there was no CHIP; today 3.3 million kids are covered between the two programs.
 - Overall uninsured rate of Texas children dropped from 25% in 1997 to 13% of all kids in 2013.
 - In comparison, in 2013 30% of adult Texans 19-64 were uninsured.
 - Uninsured rate for Texas children below 200% FPL has dropped from 35% in 1997 to 8% in 2013 -- **these are the kids potentially served by children's Medicaid and CHIP.**

Texas CHIP Coalition Supporting Organizations, 84th Session

**Alamo Area Psychiatric Advanced
Practice Nurses of Texas
American Congress of Obstetricians
and Gynecologists
Any Baby Can of Austin, Inc.
Catholic Health Association of Texas
Center for Public Policy Priorities
Children's Defense Fund
Children's Hospital Association of
Texas
CHRISTUS Health
Coalition for Nurses in Advanced
Practice
Consortium of Certified Nurse Midwives
Driscoll Health Plan
League of Women Voters of Texas
March of Dimes
Methodist Healthcare Ministries
National Association of Social Workers
– Texas Chapter**

**National Association of Pediatric Nurse
Practitioners, Houston
One Voice Central Texas
Psychiatric Advanced Practice Nurses
of Austin
Teaching Hospitals of Texas
Texas AFT, AFL-CIO
Texas Association of Community Action
Agencies (TACAA)
Texas Association of Community Health
Centers
Texans Care for Children
Texas Academy of Family Physicians
Texas Dental Association
Texas Hospital Association
Texas Impact
Texas Medical Association
Texas Pediatric Society
United Ways of Texas**

To achieve these goals, the Texas CHIP Coalition outlines the following principles:

Ensure that:

- **Outreach, enrollment, and the eligibility system are user friendly and support continuous coverage for Texas children and families.**
- **Children can get the health services that they need.**
- **Adequate funding is provided for critical health and human services.**

Bolster the Texas health care workforce.

Improve the value of state spending by supporting practices that improve the quality and outcomes of care for children, mothers, and newborns.

Improve the health and well-being of Texas children by maximizing opportunities to connect entire families with affordable health care.



Texas CHIP Coalition

*for healthy babies
and children*



- ⊕ [Home](#)
- ⊕ [Who We Are, What We Do](#)
- ⊕ [News & Events](#)
- ⊕ [About CHIP & Child Medicaid](#)
- ⊕ [Resources & Legislation](#)
- ⊕ [Contact Us](#)

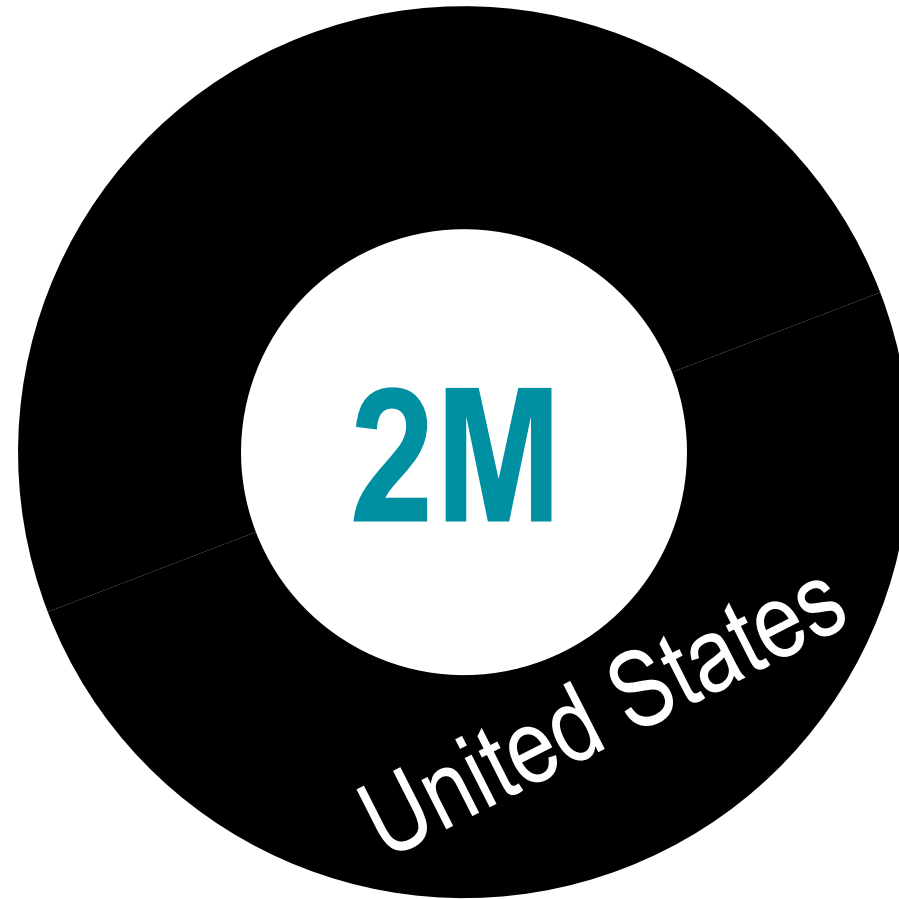
Welcome to the Texas CHIP Coalition:

A statewide coalition working for strong Children's Medicaid and CHIP programs in Texas.

The latest information about Texas CHIP and Children's Medicaid from our monthly Coalition meetings, including links to helpful documents and summaries, can be found on our [meetings information page](#).

<http://www.texaschip.org/>

The U.S. added 2 million kids in last decade



Texas accounted for **half** of that growth!



Medicaid/CHIP Overview

- Medicaid and the Children's Health Insurance Program (CHIP) provide health insurance coverage to low-income individuals, with the costs shared between the state and the federal government.
- Medicaid is an entitlement program; anyone who meets eligibility requirements must be provided coverage.
- CHIP is not a federal entitlement, but in Texas all eligible children are provided services.

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[Costs](#)

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**\$50 a year or less
covers all your kids**

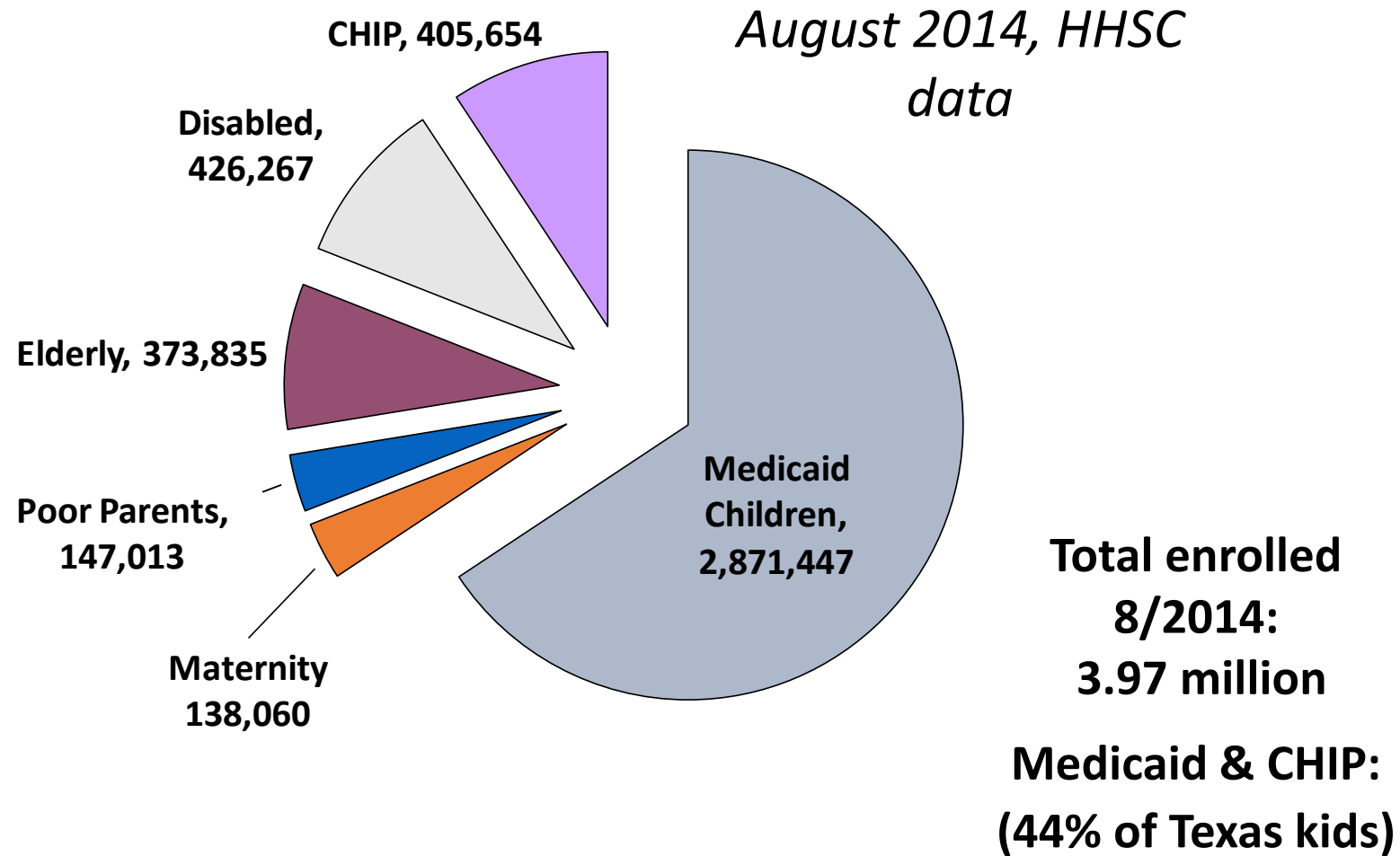
but most families pay nothing

[Apply Now ▶](#)

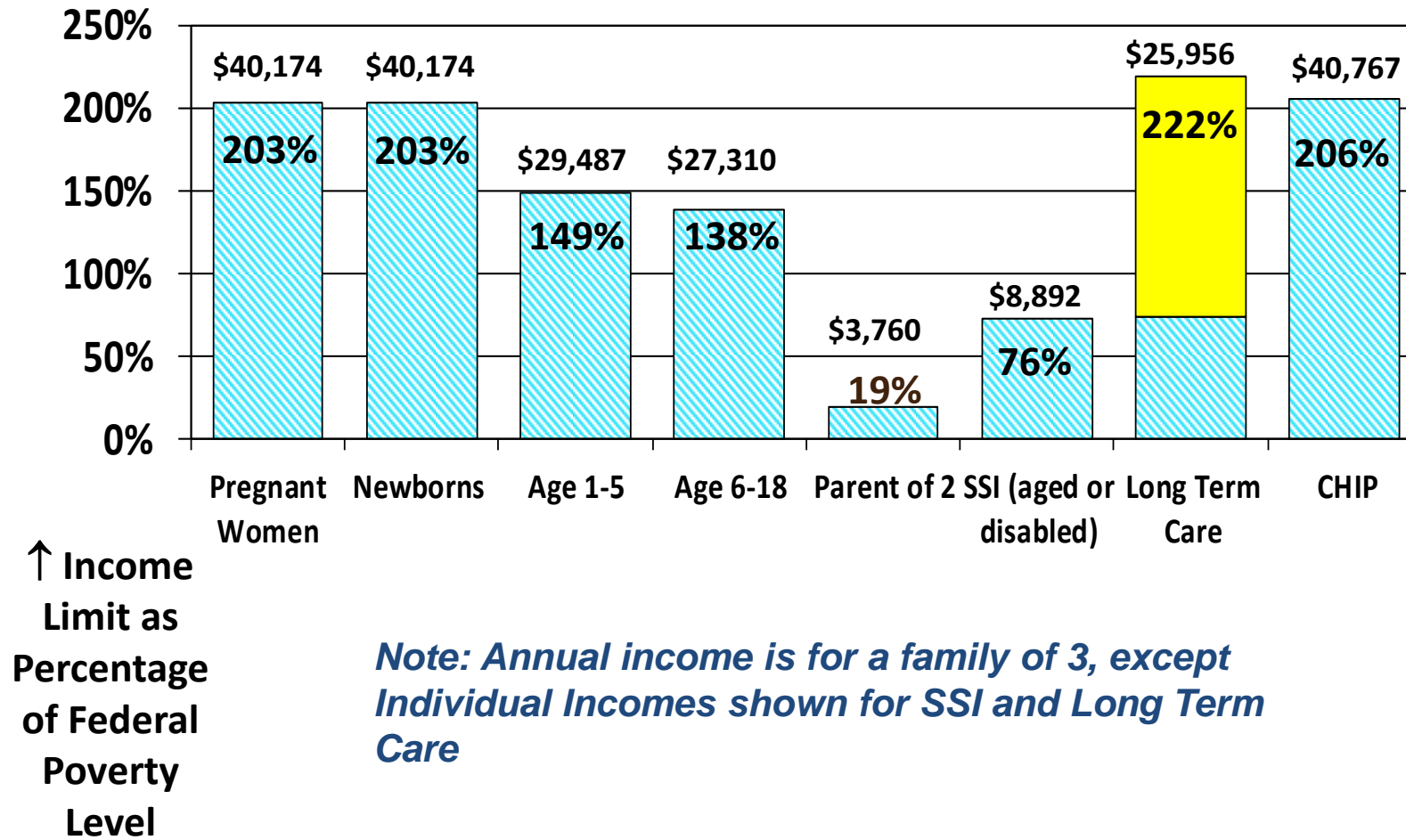
Eligibility depends on family income and family size

http://chipmedicaid.com/sites/default/files/documents/Income_Guidelines_ENG.pdf

Texas Medicaid/CHIP: Who is Helped Today



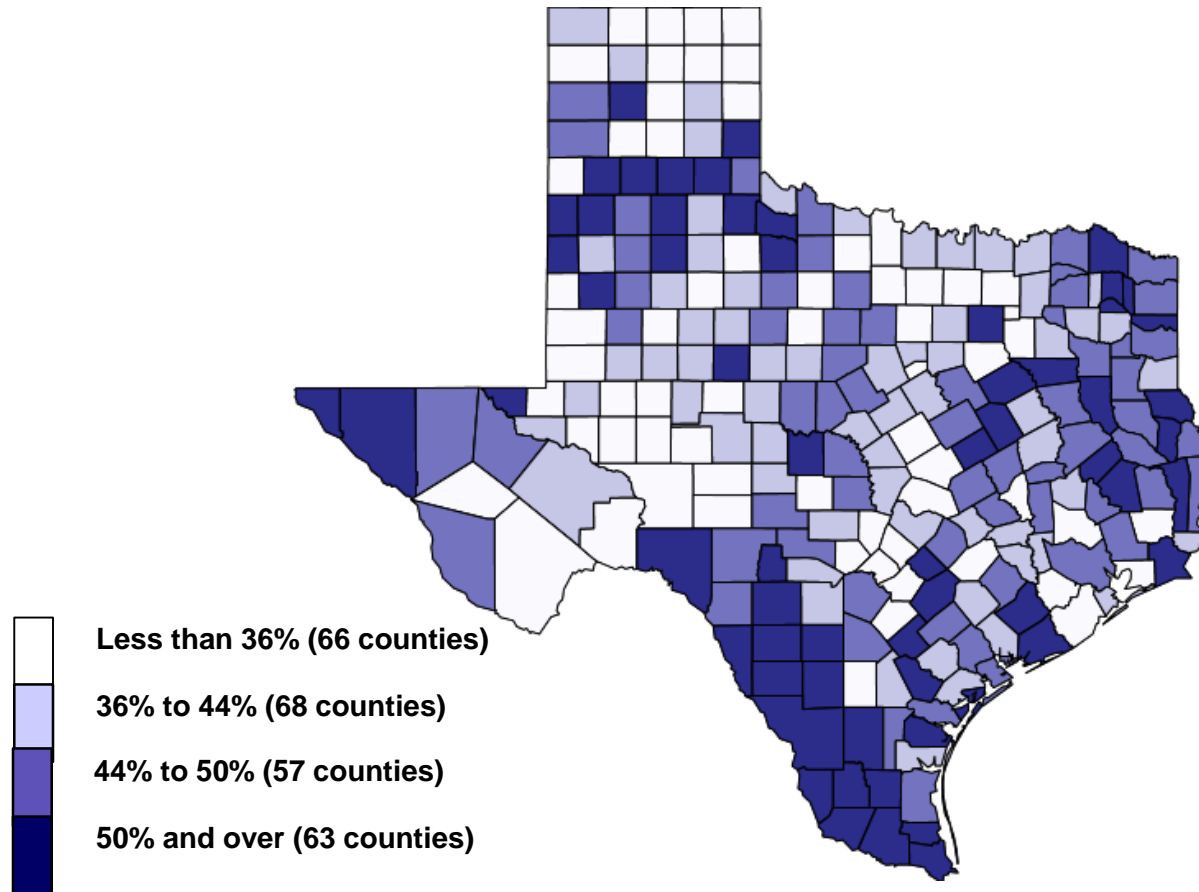
Income Caps for Texas Medicaid and CHIP, 2014



Source: Center for Public Policy Priorities.

Nearly half of Texas Children Were Enrolled in Medicaid or CHIP in March 2014

from a high of 77% to a low of 10%



Note: Includes children less than 19 years of age.

Sources: Medicaid: 8-Month Eligibility Databases, HHSC; CHIP: P10_dob_regular database, HHSC. Prepared by Data Quality & Dissemination, Strategic Decision Support, HHSC. Children <19: Projections of the Population of Texas and Counties in Texas by Age, Sex and Race/Ethnicity for 2010-2050 (2000-2010 Migration (1.0) Scenario), UTSA, November 2014.

Percent of Texas Children <19 Years of Age Enrolled in Medicaid and CHIP

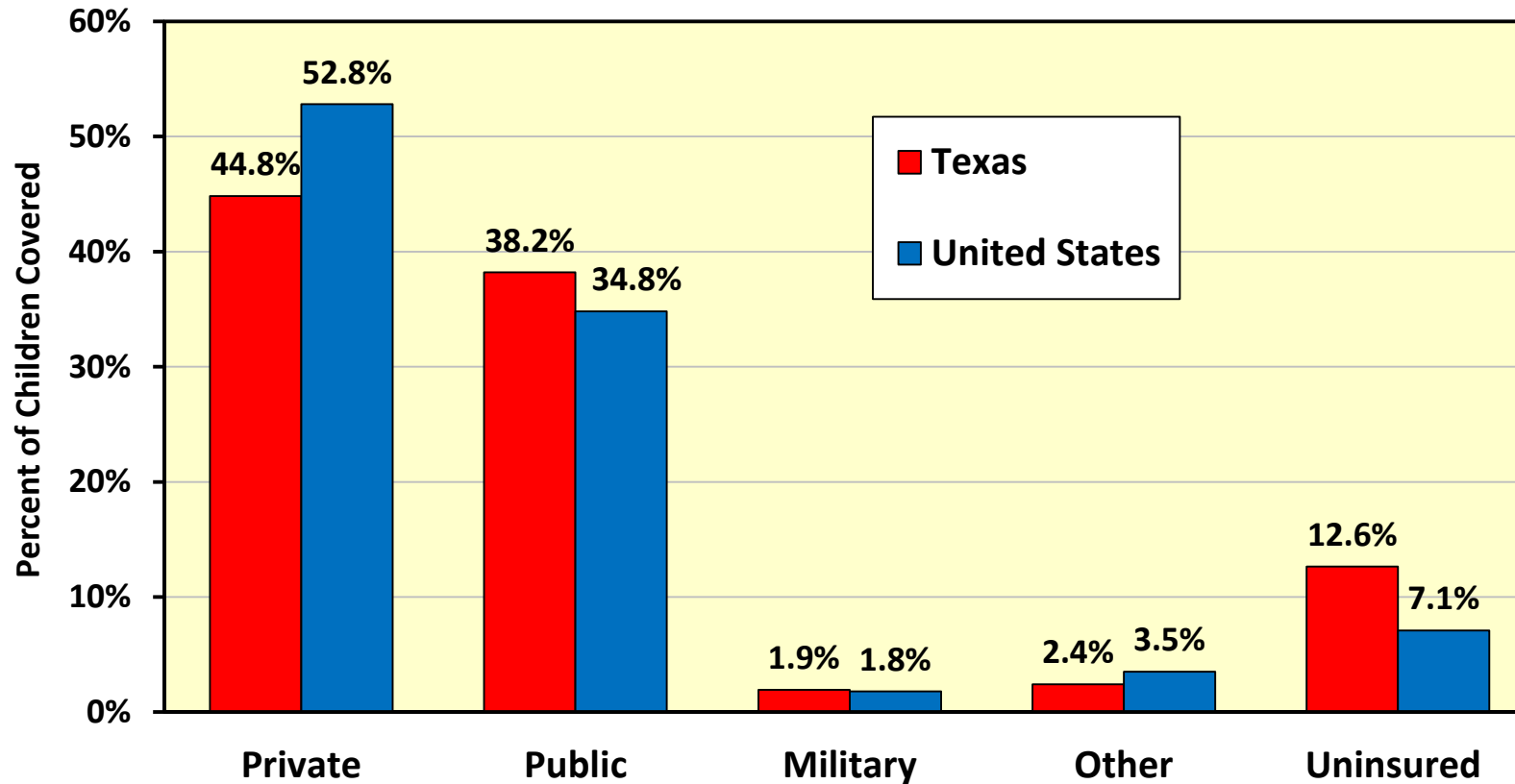
March, 2014

County	Percent	County	Percent	County	Percent	County	Percent	County	Percent	County	Percent	County	Percent
Anderson	49.7%	Clay	28.4%	Floyd	56.5%	Hudspeth	54.8%	Lynn	46.2%	Randall	24.6%	Tyler	49.0%
Andrews	33.1%	Cochran	52.0%	Foard	52.2%	Hunt	42.2%	McCulloch	50.1%	Reagan	28.7%	Upshur	42.5%
Angelina	46.7%	Coke	32.4%	Fort Bend	24.6%	Hutchinson	34.6%	McLennan	46.8%	Real	54.2%	Upton	32.0%
Aransas	51.1%	Coleman	44.3%	Franklin	43.5%	Irion	25.6%	McMullen	19.7%	Red River	50.7%	Uvalde	56.7%
Archer	24.1%	Collin	17.6%	Freestone	38.8%	Jack	35.1%	Madison	48.8%	Reeves	43.8%	Val Verde	50.7%
Armstrong	28.9%	Collingsworth	50.7%	Frio	65.6%	Jackson	42.8%	Marion	52.8%	Refugio	42.7%	Van Zandt	41.6%
Atascosa	47.8%	Colorado	47.4%	Gaines	35.0%	Jasper	50.5%	Martin	35.6%	Roberts	15.7%	Victoria	45.4%
Austin	37.5%	Comal	30.3%	Galveston	36.8%	Jeff Davis	31.4%	Mason	32.1%	Robertson	48.3%	Walker	39.7%
Bailey	51.6%	Comanche	44.7%	Garza	42.6%	Jefferson	51.5%	Matagorda	54.3%	Rockwall	18.4%	Waller	42.2%
Bandera	38.2%	Concho	35.8%	Gillespie	36.4%	Jim Hogg	60.0%	Maverick	61.2%	Runnels	42.7%	Ward	36.0%
Bastrop	44.8%	Cooke	39.7%	Glasscock	21.7%	Jim Wells	49.8%	Medina	39.3%	Rusk	44.2%	Washington	37.8%
Baylor	47.5%	Coryell	22.6%	Goliad	39.2%	Johnson	37.6%	Menard	43.3%	Sabine	48.9%	Webb	64.7%
Bee	50.4%	Cottle	58.3%	Gonzales	56.2%	Jones	44.1%	Midland	28.4%	San Augustine	61.4%	Wharton	50.2%
Bell	33.9%	Crane	25.1%	Gray	38.2%	Karnes	52.5%	Milam	47.5%	San Jacinto	46.9%	Wheeler	34.8%
Bexar	46.9%	Crockett	32.2%	Grayson	42.1%	Kaufman	35.3%	Mills	37.9%	San Patricio	46.6%	Wichita	42.3%
Blanco	28.4%	Crosby	54.6%	Gregg	47.4%	Kendall	24.3%	Mitchell	38.9%	San Saba	49.1%	Wilbarger	43.9%
Borden	27.4%	Culberson	47.2%	Grimes	45.3%	Kenedy	48.5%	Montague	39.2%	Schleicher	22.4%	Willacy	69.4%
Bosque	42.2%	Dallam	41.7%	Guadalupe	30.1%	Kent	29.0%	Montgomery	30.3%	Scurry	36.2%	Williamson	21.7%
Bowie	49.9%	Dallas	54.1%	Hale	50.0%	Kerr	47.6%	Moore	40.4%	Shackelford	29.7%	Wilson	29.1%
Brazoria	30.1%	Dawson	49.2%	Hall	55.2%	Kimble	46.3%	Morris	56.3%	Shelby	55.8%	Winkler	33.9%
Brazos	35.4%	Deaf Smith	47.5%	Hamilton	40.5%	King	9.7%	Motley	38.2%	Sherman	30.4%	Wise	32.2%
Brewster	32.0%	Delta	45.2%	Hansford	31.4%	Kinney	44.7%	Nacogdoches	44.9%	Smith	43.8%	Wood	43.5%
Briscoe	51.1%	Denton	21.4%	Hardeman	42.2%	Kleberg	42.1%	Navarro	54.3%	Somervell	34.0%	Yoakum	30.5%
Brooks	77.2%	DeWitt	48.6%	Hardin	33.3%	Knox	51.5%	Newton	44.2%	Starr	77.4%	Young	44.0%
Brown	43.6%	Dickens	38.4%	Harris	49.3%	Lamar	49.7%	Nolan	50.4%	Stephens	47.9%	Zapata	57.9%
Burleson	44.0%	Dimmit	68.9%	Harrison	46.1%	Lamb	53.4%	Nueces	50.8%	Sterling	38.0%	Zavala	69.5%
Burnet	41.4%	Donley	40.5%	Hartley	23.4%	Lampasas	40.1%	Ochiltree	27.3%	Stonewall	41.1%	Texas	44.0%
Caldwell	53.1%	Duval	55.0%	Haskell	47.1%	La Salle	64.2%	Oldham	48.6%	Sutton	31.4%	<p>Sources:</p> <p>HHSC:</p> <p>Medicaid & CHIP</p> <p>UTSA:</p> <p>Population</p> <p>*No. of enrollees was greater than the estimated no. of children.</p>	
Calhoun	48.1%	Eastland	47.1%	Hays	28.0%	Lavaca	38.8%	Orange	43.2%	Swisher	52.8%		
Callahan	38.3%	Ector	38.2%	Hemphill	27.5%	Lee	38.4%	Palo Pinto	44.0%	Tarrant	40.8%		
Cameron	64.4%	Edwards	47.9%	Henderson	51.6%	Leon	38.6%	Panola	37.9%	Taylor	43.6%		
Camp	60.7%	Ellis	33.4%	Hidalgo	67.7%	Liberty	46.4%	Parker	27.4%	Terrell	23.0%		
Carson	18.1%	El Paso	54.1%	Hill	46.6%	Limestone	51.6%	Parmer	34.6%	Terry	55.7%		
Cass	47.1%	Erath	37.5%	Hockley	42.6%	Lipscomb	29.5%	Pecos	36.6%	Throckmorton	29.3%		
Castro	53.2%	Falls	51.6%	Hood	39.1%	Live Oak	37.6%	Polk	54.5%	Titus	52.4%		
Chambers	27.4%	Fannin	39.7%	Hopkins	44.9%	Llano	46.9%	Potter	55.0%	Tom Green	40.3%		
Cherokee	53.7%	Fayette	33.1%	Houston	49.4%	Loving	*	Presidio	47.3%	Travis	37.6%		
Childress	46.2%	Fisher	36.4%	Howard	42.3%	Lubbock	43.7%	Rains	43.7%	Trinity	53.3%		

Percent of Texas Children <19 Years of Age Enrolled in Medicaid and CHIP March, 2014

County	Percent	County	Percent	County	Percent	County	Percent
Floyd	56.5%	Hudspeth	54.8%	Lynn	46.2%	Randall	46.2%
Foard	52.2%	Hunt	42.2%	McCulloch	50.1%	Real	50.1%
Fort Bend	24.6%	Hutchinson	34.6%	McLennan	46.8%	Real	46.8%
Franklin	43.5%	Irion	25.6%	McMullen	19.7%	Real	19.7%
Freestone	38.8%	Jack	35.1%	Madison	48.8%	Real	48.8%
Frio	65.6%	Jackson	42.8%	Marion	52.8%	Real	52.8%
Gaines	35.0%	Jasper	50.5%	Martin	35.6%	Real	35.6%
Galveston	36.8%	Jeff Davis	31.4%	Mason	32.1%	Real	32.1%
Garza	42.6%	Jefferson	51.5%	Matagorda	54.3%	Real	54.3%
Gillespie	36.4%	Jim Hogg	60.0%	Maverick	61.2%	Real	61.2%
Glasscock	21.7%	Jim Wells	49.8%	Medina	39.3%	Real	39.3%
Goliad	39.2%	Johnson	37.6%	Menard	43.3%	Real	43.3%
Gonzales	56.2%	Jones	44.1%	Midland	28.4%	Real	28.4%
Gray	38.2%	Karnes	52.5%	Milam	47.5%	Real	47.5%
Grayson	42.1%	Kaufman	35.3%	Mills	37.9%	Real	37.9%
Gregg	47.4%	Kendall	24.3%	Mitchell	38.9%	Real	38.9%
Grimes	45.3%	Kenedy	48.5%	Montague	39.2%	Real	39.2%
Guadalupe	30.1%	Kent	29.0%	Montgomery	30.3%	Real	30.3%
Hale	50.0%	Kerr	47.6%	Moore	40.4%	Real	40.4%

Health Insurance Status for Children 0-17 Years of Age Texas and United States, 2013



Source: U.S. Census Bureau, 2013 American Community Survey 1-Year Estimates, Table B27010.

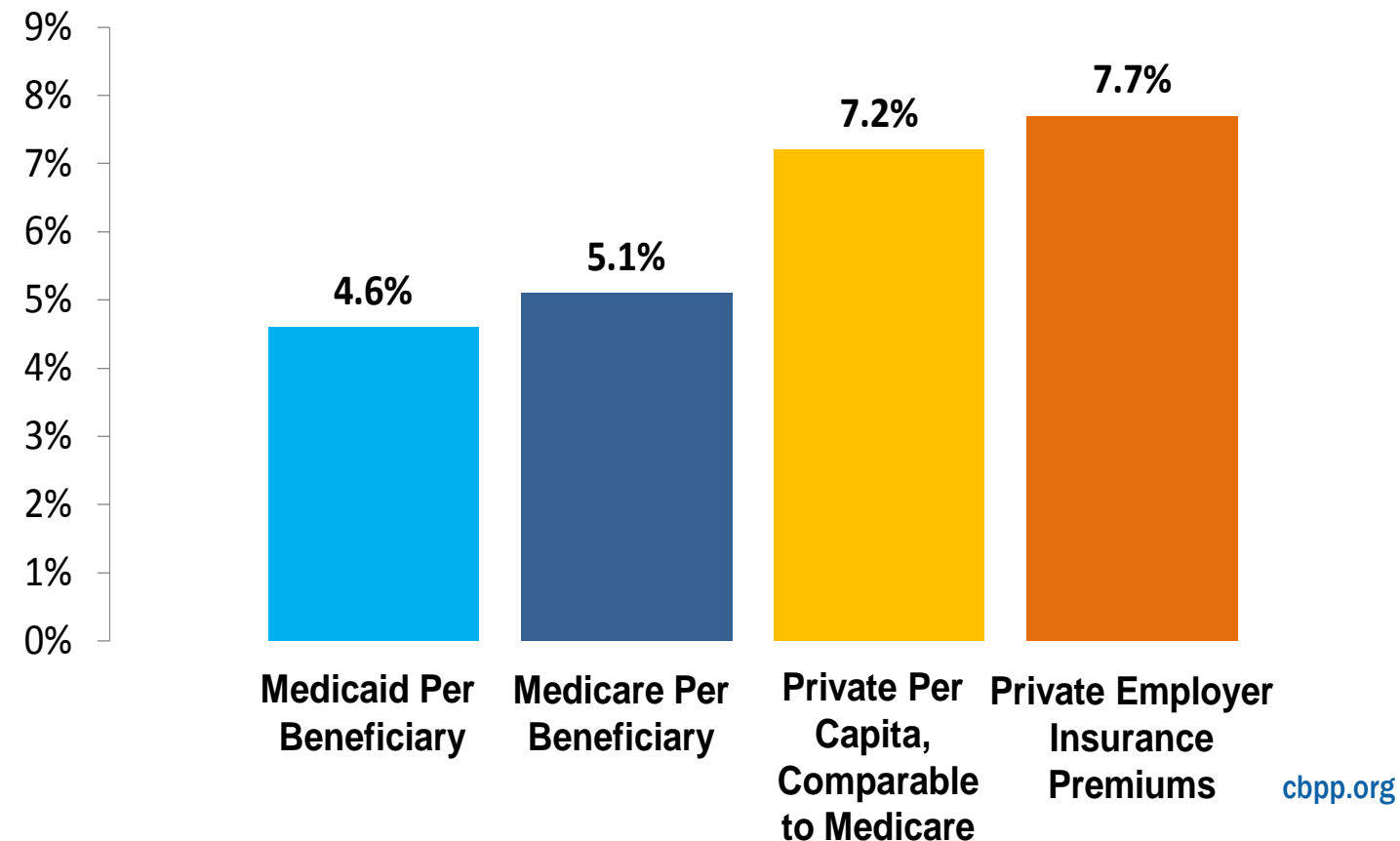
Controlling Medicaid and CHIP Costs

- The Texas Legislature has aggressively pursued cost-containment in Texas Medicaid over the last 15 years.
- When adjusted for inflation, Texas is spending less per Medicaid enrollee today than the state did in 2001.



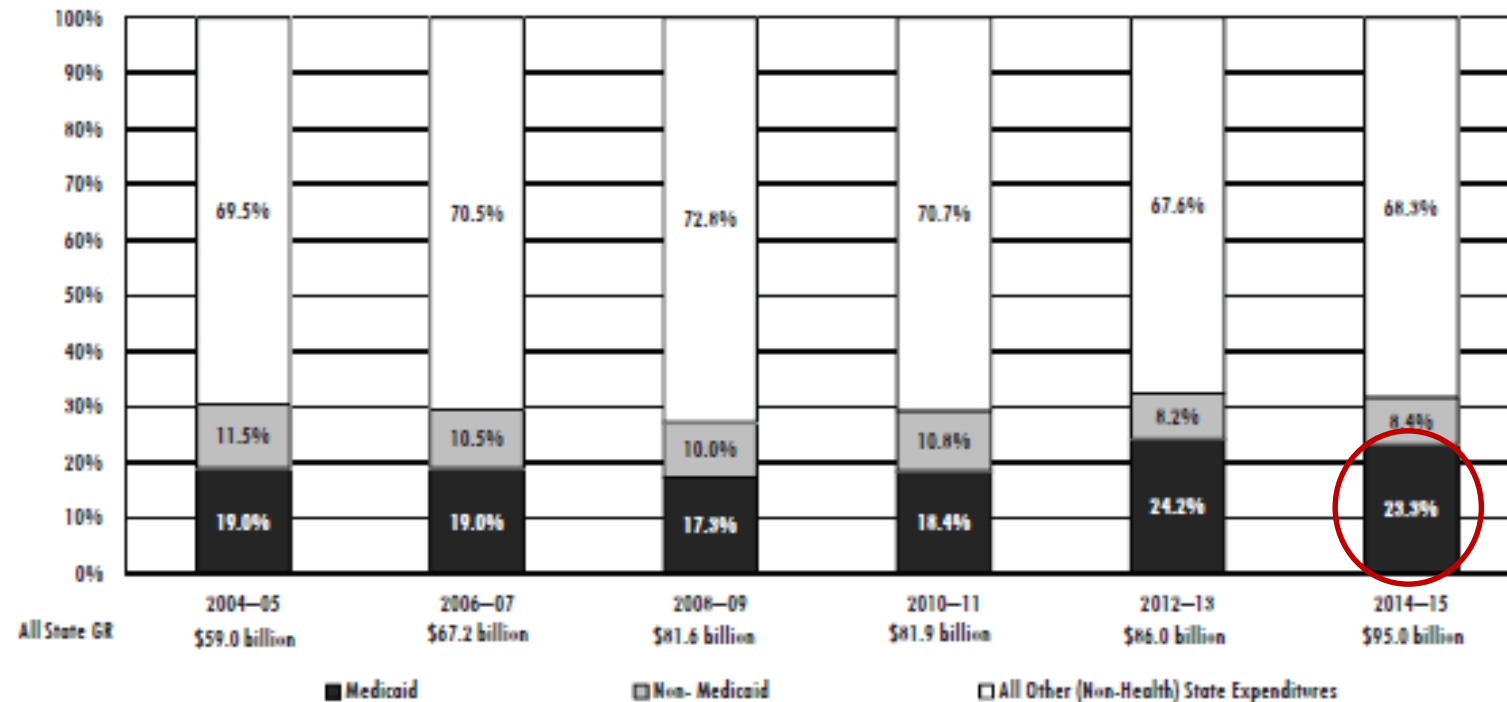
Medicare and Medicaid Controlled Costs Better than Private Insurance Over the Last Decade

Average Annual Growth Rate, 2000-2009



Medicaid as a share of Texas' State-Dollar Spending = 23.3%

FIGURE 24
HEALTHCARE EXPENDITURES AND APPROPRIATIONS AS A PERCENTAGE OF GENERAL REVENUE FUNDS
2004-05 TO 2014-15 BIENNIA



NOTES:

- (1) Healthcare expenditures and appropriations are limited to direct care and healthcare insurance programs.
- (2) 2014-15 biennial amount is projected.

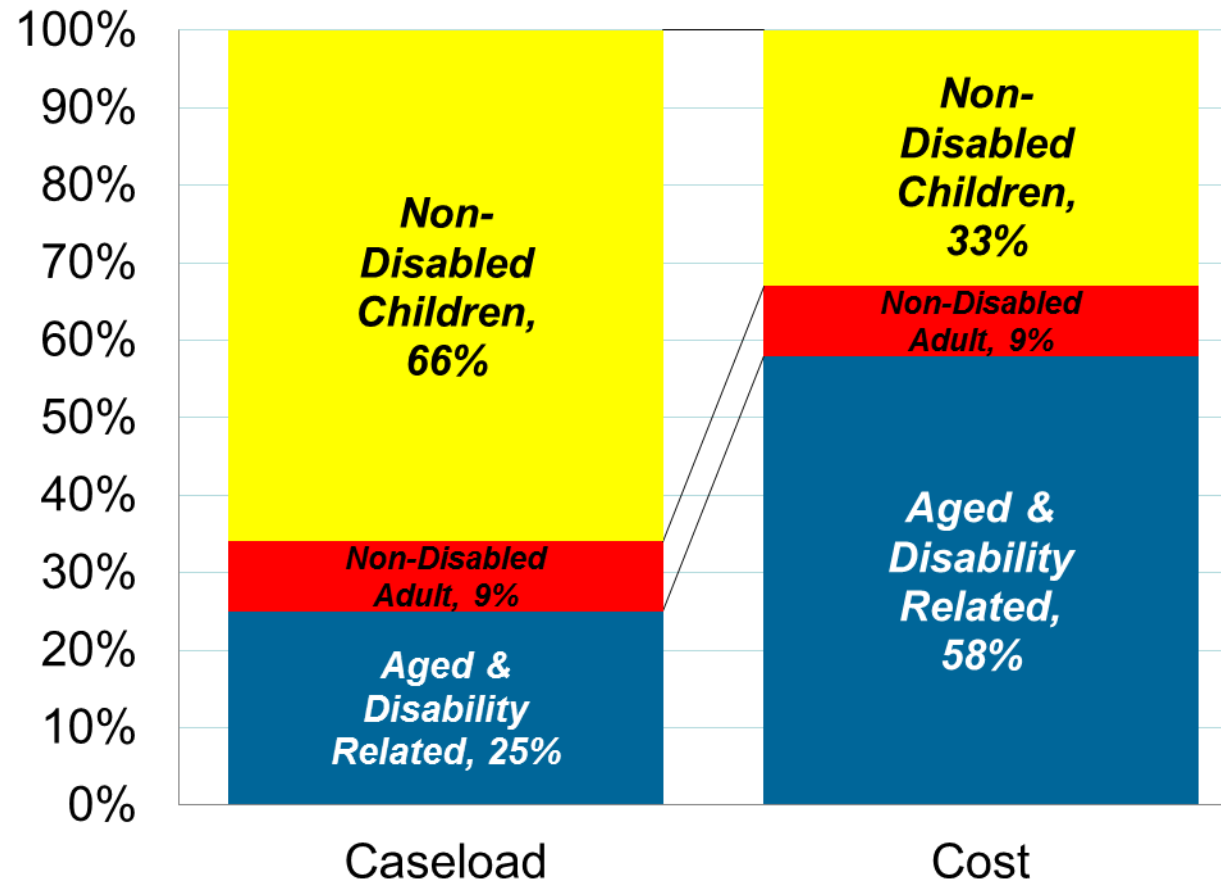
Source: Legislative Budget Board.

Medicaid/CHIP Care Delivery

- About 85% of Texas Medicaid clients are provided care through Private Insurer HMOs (managed care organizations).
- Expansions planned for the next few years will extend Private HMO coverage to virtually 100% of Texans in Medicaid
- Children enrolled in CHIP are also provided care through Private Insurer HMOs

Children are Relatively Inexpensive

Texas Medicaid Beneficiaries and Expenditures, FY 2011



Source: HHS Financial Services, HHS System Forecasting. 2011 Medicaid Expenditures, including Acute Care, Vendor Drug, and Long-term Services and Supports. Costs and caseload for all Medicaid payments for all beneficiaries (Emergency Services for Non-citizens, Medicare payments) are included. Children include all Poverty-level Children, including TANF. Disability-related Children are not in the Children group.

Medicaid for Children Recoups Much of Its Cost in the Long Run

- People who had been eligible for Medicaid as children earned higher wages and paid higher federal taxes than their peers who were not eligible.

<http://www.nber.org/papers/w20835>

- Medicaid decreases poverty rates by 1.0% among children, 2.2% among disabled adults, and 0.7% among elderly individuals.

http://www.appam.org/assets/1/7/The_Poverty-Reducing_Effect_Of_Medicaid.pdf

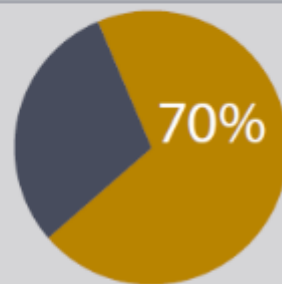


Congress must act to extend funding for the Children's Health Insurance Program (CHIP) beyond September 30, 2015.

Texas's CHIP program currently covers approximately 350,000 Texan children each month.

If Congress does not act to extend CHIP, what's at stake for Texas?

As much as
\$1.26 billion
is at risk in 2016



Percent of funding CHIP provides to Texas program.

\$332 million gain

Estimated boost to state budget with FY 2016 increased CHIP match at risk if CHIP funding not extended.

\$925 million loss

Estimated FY 2016 loss of CHIP federal funds with current match rate if CHIP funding is not extended.

Texas Federal Match

FY 2015 Medicaid Match	FY 2015 CHIP Match	FY 2016 Enhanced CHIP Match*
58.05%	70.64%	93.64%

* This estimate is calculated by adding the 23 percentage point bump to the 2015 enhanced FMAP for Texas. Actual percentage in 2016 may vary slightly given that the FMAP is adjusted annually.

Source: Estimates derived from figures in preliminary unpublished draft memo "CHIP Financing Considerations and State-level Funding and Coverage Loss Estimates," Georgetown Center for Children and Families and Center on Budget and Policy Priorities, October 2014.



How to Get Help

Español



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Health Care

Health Care for Children

Health Care for Women

Health care for young adults and families

Health care for people age 65+ and people with disabilities

SNAP Food Benefits

TANF Cash Help

Other programs

Programs



Health Care

Overview

Some people with little or no money might be able to get health benefits through a variety of state programs.

If you can't get benefits from one of these programs, there are other options. Find health insurance by going to www.HealthCare.gov.

Health care for children

- Children's Medicaid
- Children's Health Insurance Program (CHIP)
- Medicaid Buy-In for Children

Health care for women

- Medicaid for low-income pregnant women
- CHIP perinatal coverage
- Texas Women's Health Program
- Medicaid for Breast and Cervical Cancer

Health care for young adults and families

- Medicaid for an adult caring for a child
- Medicaid for Former Foster Care Children
- Medicaid for Transitioning Foster Care Youth

Health care for people age 65+ and people with disabilities

- Medicaid for long-term care
- Medicaid for people who get Supplemental Security Income (SSI)

Apply for Benefits

Your Texas Benefits

View My Case



<http://yourtexasbenefits.hhsc.texas.gov/programs/health>

Children's Health: The Premier Pediatric Health Care System in North Texas

Our Mission

To make life better for children.

Our Heritage

Over the past 100 years, Children's Health has grown from its roots as the Dallas Baby Camp to include academic medical centers, specialty care, primary care, home health and a pediatric research institute.

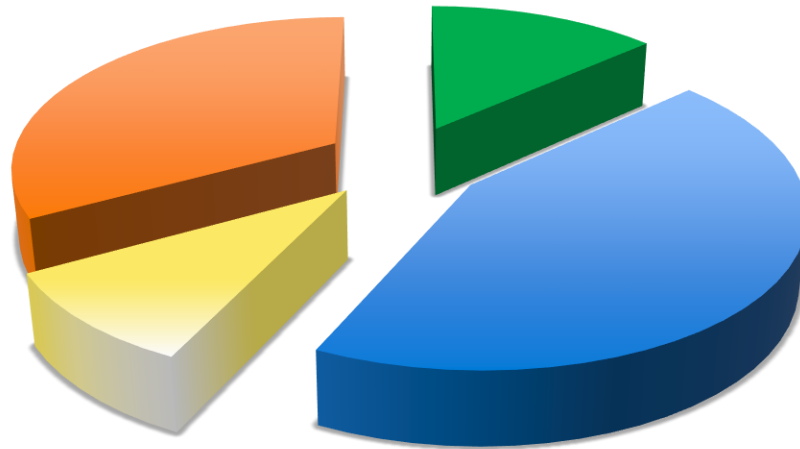
Our Evolution

Growing from our flagship Children's Medical Center, one of the longest serving dedicated pediatric health care facilities in Texas, Children's Health today is a fully integrated health care system providing care for children from birth to age 18 along the entire health care continuum, from routine exams to critical care.



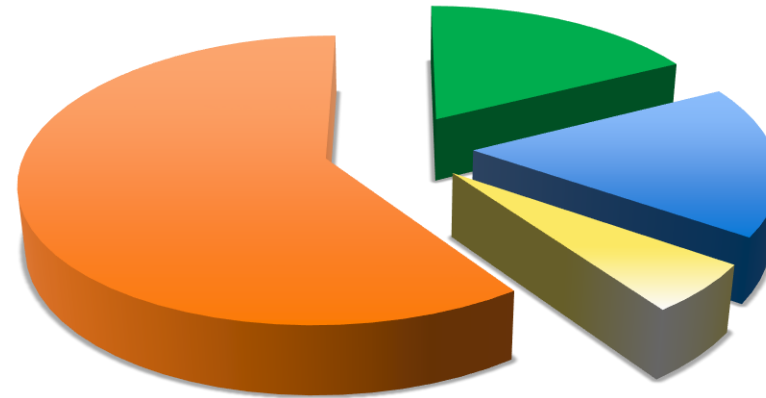
High Number of Underinsured Children in Dallas Metroplex

**Insurance Status of 670,000
Children in Dallas County**

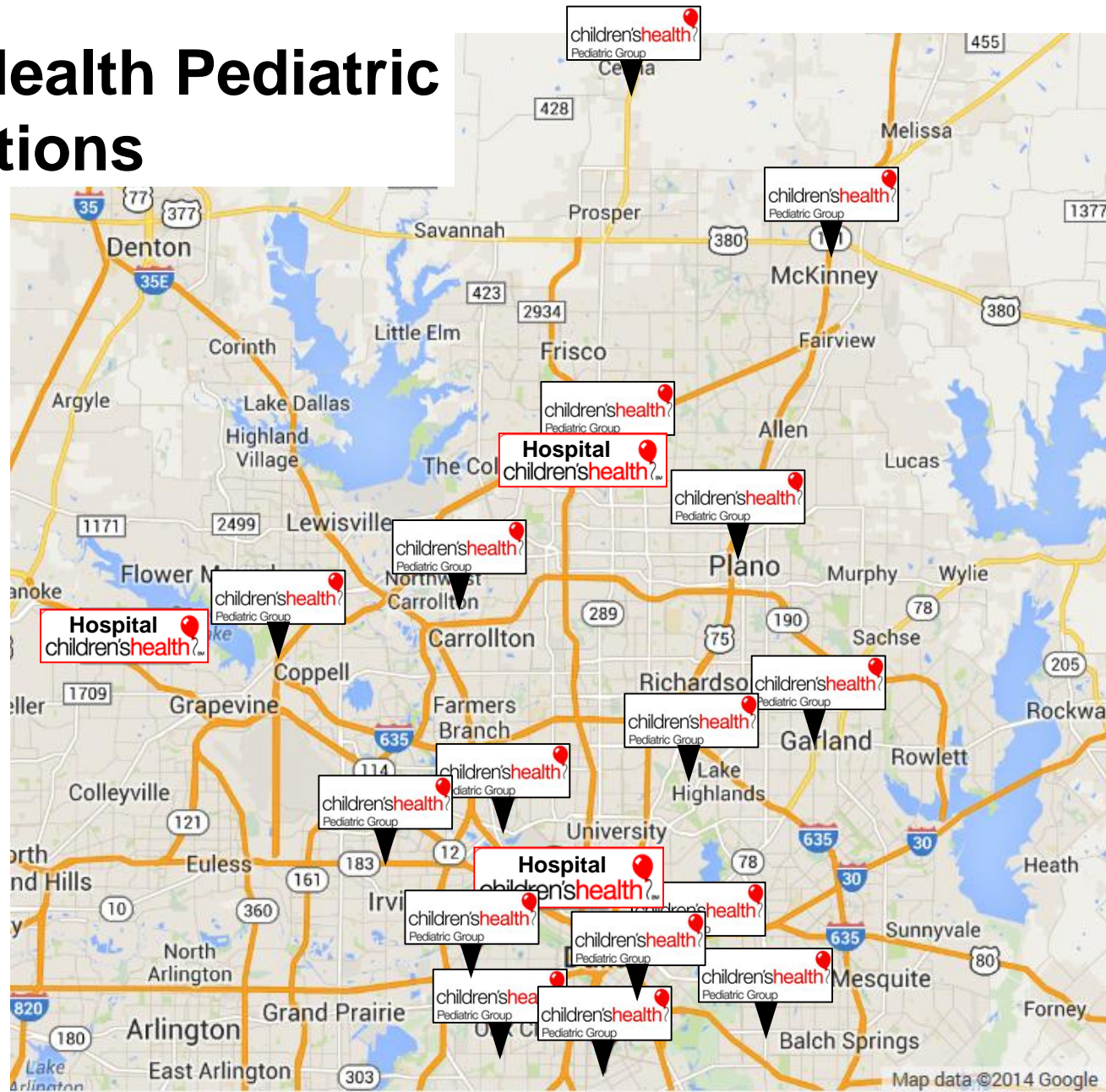


■ Uninsured
■ Medicaid
■ CHIP
■ Commercial

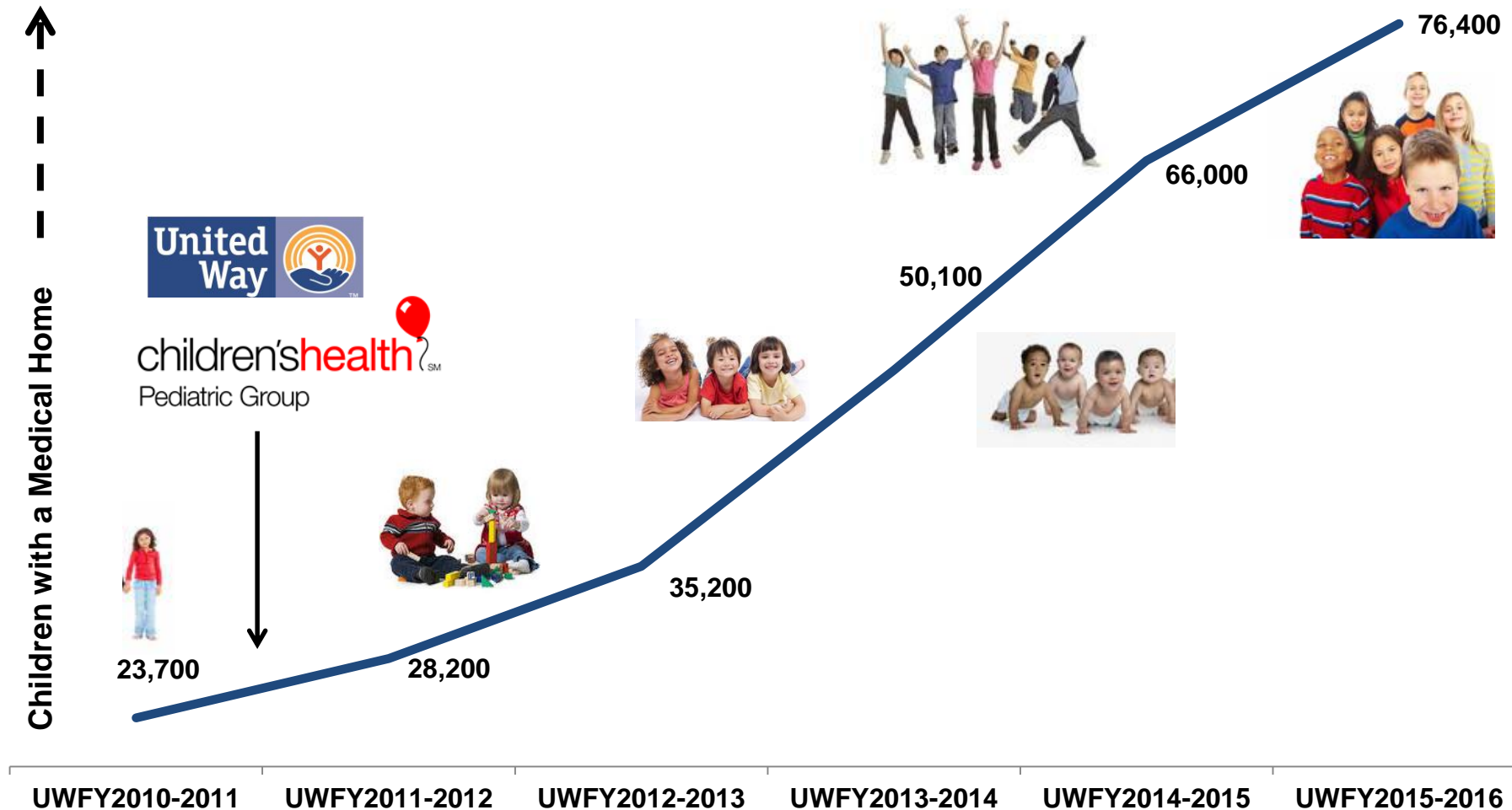
**Insurance Status of 450,000
children in North Texas
Corridor**



Children's Health Pediatric Group Locations



Unique Patients Served at 18 Children's Health Pediatric Group Sites Dramatically Increases in Next 3 Years



Issues Limiting the Health and Well-being of Underserved Children

- Medicaid continuous eligibility of six months
- 90 day waiting period for CHIP enrollment
- Too few pediatricians and pediatric specialists accept Medicaid and CHIP
- Low reimbursement for Medicaid/CHIP relative to Medicare

Ensuring Continuity of Care in Medicaid

- State law limits the amount of time children are guaranteed Medicaid eligibility to six months, resulting in unnecessary administrative reviews, loss of coverage, and interruptions in medical treatment.
- This movement, or “churning,” could cause disruptions in care that could be costly for children and their families and result in a significant administrative burden for the state.

The CHIP Coalition supports legislation to:

- *Provide 12 months continuous eligibility for children enrolled in Medicaid.*

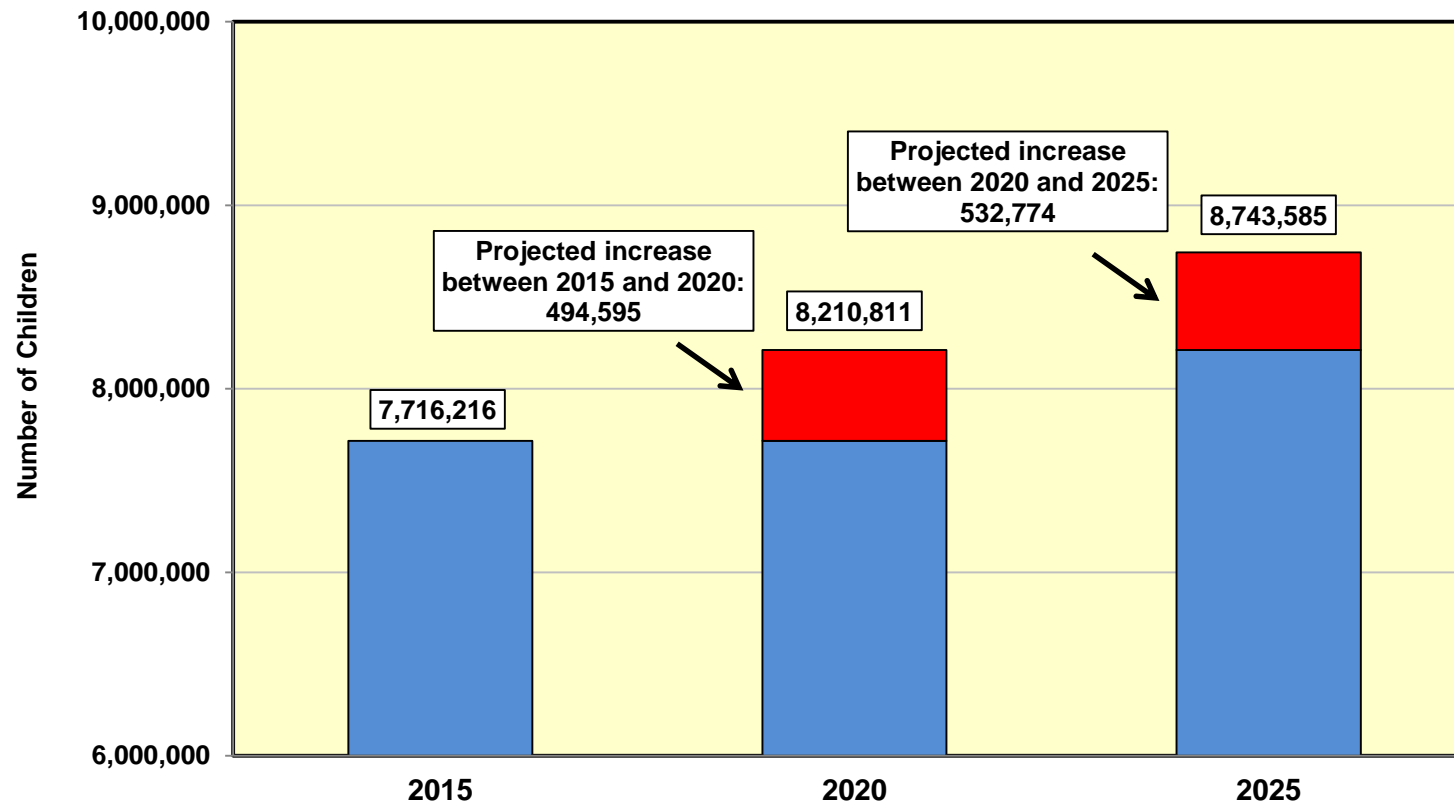
Improving CHIP Enrollment

- Texas CHIP applicants are subject to a 90-day waiting period unless certain conditions are met.
- Eligibility workers track 6 federal exemptions and 3 additional state exemptions.
- Only 10 states still have waiting periods for CHIP.
- Reasons to eliminate waiting period:
 - Gaps in coverage lead to delays in care and unmet health needs.
 - There is no conclusive evidence that crowd-out is a problem.
 - Implementation can be costly and inefficient to the state

The CHIP Coalition supports legislation to:

- *Eliminate the CHIP waiting period.*

Projected Growth in the Number of Children Under 19 Years of Age Texas 2015, 2020 and 2025



Source: Projections of the Population of Texas and Counties in Texas by Age, Sex and Race/Ethnicity for 2010-2050 (Migration (1.0) Scenario); Population Estimates and Projections Program, Texas State Data Center, Office of the State Demographer, The University of Texas at San Antonio, November 2014.

General Pediatricians in Texas

Texas Trends

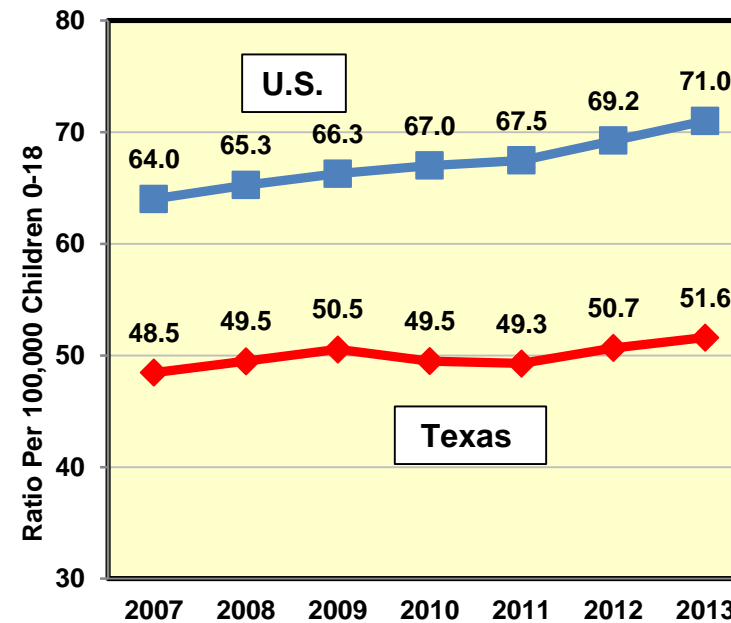
<u>Year</u>	<u>Ratio**</u>	<u>No.</u>
2004	43.0	2,788
2005	43.9	2,884
2006	44.3	2,943
2007	44.0	2,959
2008	43.8	2,982
2009	44.0	3,028
2010	44.5	3,226
2011	45.3	3,321
2012	47.8	3,546
2013	47.5	3,565

**Ratio per 100,000 Children 0-18

Sources: Texas Medical Board &
HPRC-DSHS (includes primary
care
pediatricians)

Texas State Data Center (includes 2014
population updates for 2010-
2013)

ABP-Certified General Pediatrics Diplomates*



* Diplomates Ever Certified.

Sources: American Board of Pediatrics (physicians)
Texas State Data Center and Census Bureau (population)

Limited Availability of Pediatric Subspecialists in Texas

Subspecialty	2013		Texas Ratio as a Percent of the U.S. Ratio*
	No. of Physicians Texas	U.S.	
Rheumatology	15	305	51.9%
Adolescent Medicine	27	503	56.7%
Child Abuse	18	285	66.7%
Developmental-Behavioral Pediatrics	39	597	68.9%
Endocrinology	79	1,162	71.8%
Emergency Medicine	128	1,863	72.5%
Infectious Disease	82	1,138	76.1%
Nephrology	36	491	77.4%
Pulmonology	64	866	78.0%
Cardiology	139	1,869	78.5%
Gastroenterology	95	1,262	79.4%
Critical Care	142	1,882	79.6%
Hematology-Oncology	173	1,933	94.5%
Neonatal-Perinatal Medicine	357	3,982	94.6%

*(No. of ABP Diplomates per 100,000 Children <18 in Texas) divided by
(No. of ABP Diplomates per 100,000 Children <18 in the U.S.)

Source: American Board of Pediatrics (ABP) 2013-2014 Workforce Data
<https://www.abp.org/abpwebsite/stats/wrkfrc/workforcebook.pdf>

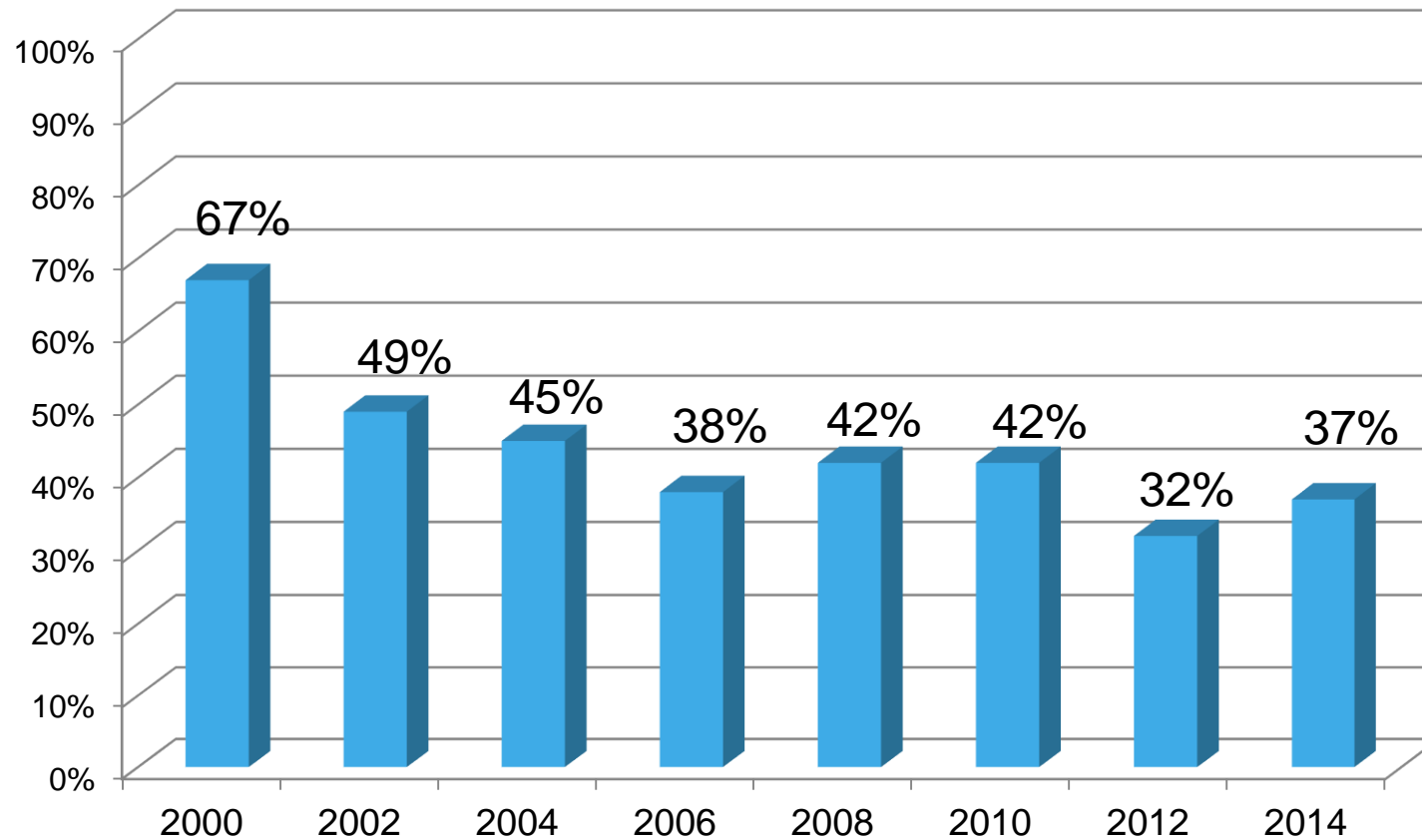
Ensuring Adequate Medicaid Reimbursement

- Texas Medicaid rates for physician services provided to children average 78% of Medicare rates, which in turn are below commercial payment rates.
- Outpatient rates have not increased since 2007 and rates were reduced in 2011.

The CHIP Coalition supports legislation to:

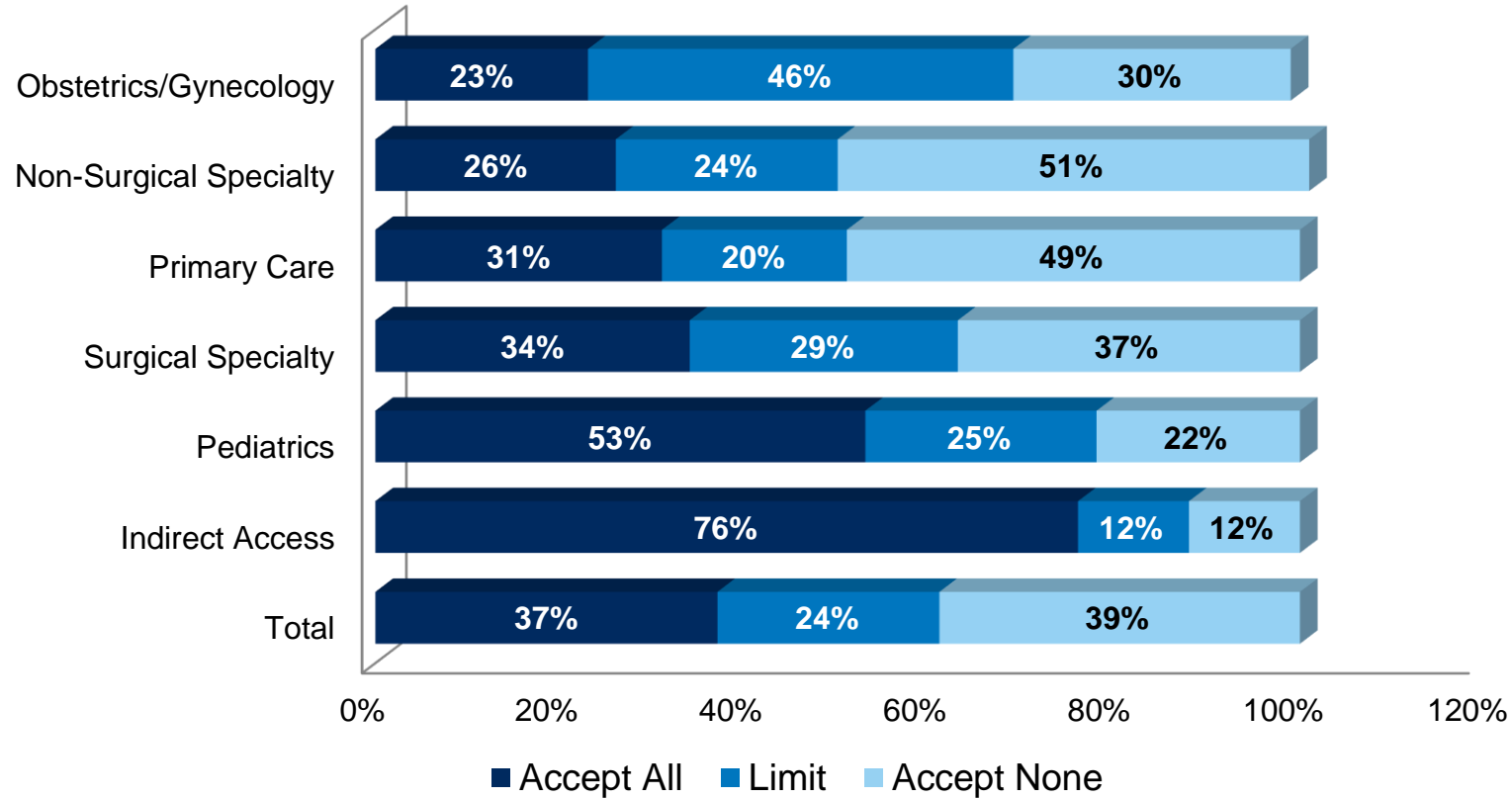
- *Increase Medicaid and CHIP health care provider rates to reasonable levels that reflect the cost of delivering services*

Percent of Texas Physicians Who Will Accept All New Medicaid Patients



Source: Texas Medical Association.

Acceptance of Medicaid by Physician Specialty



Source: Texas Medical Association.

Medicaid → Medicare Parity Rates

- Rates for primary care services were increased to Medicare levels for calendar years 2013 and 2014, using 100% federal funds.
- In FY 2014, \$881 million was distributed to Texas health care providers for parity with Medicare.
- Without legislative action, rates will drop to previous levels.

The CHIP Coalition supports legislation to:

- *Maintain parity with Medicare for Medicaid primary care service payments.*

CHIP Coalition Principles on Access to Medicaid and CHIP

To ensure continuity of children's coverage in children's Medicaid and CHIP, the CHIP Coalition supports:

- Change state statute from 6 to 12 months continuous eligibility in children's Medicaid
- Eliminate the 90 day waiting period for children applying for CHIP coverage

To increase provider participation in Medicaid and CHIP, the CHIP Coalition supports:

- Increasing Medicaid and CHIP health care provider rates to reasonable levels that reflect the cost of delivering services; and
- Maintaining parity with Medicare for Medicaid primary care service payments.

Bolster the Texas Health Care Workforce

Kenneth I. Shine, M.D.



THE UNIVERSITY of TEXAS SYSTEM
Nine Universities. Six Health Institutions. Unlimited Possibilities.

CHIP Conference
Austin, TX
January 23, 2015



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Potential Conflict of Interest

Potential Conflict of Interest:

Director, United Health Group



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Texas Health Work Force: Shortages

- Texas has a shortage of every kind of health provider except licensed vocational nurses.
- Patient care physicians per 100,000 population
 - U.S. 263; Texas 205
- 43rd ranked state
- Primary care physicians per 100,000 population
 - U.S. 100; Texas 79
- 58% of national average for psychiatrists
- Shortage of baccalaureate/advanced practice nurses.
- Shortage of pharmacists, dentists, physician assistants.
- Major shortage of mental health providers: Three quarters of Texas counties are mental health professional shortage areas.

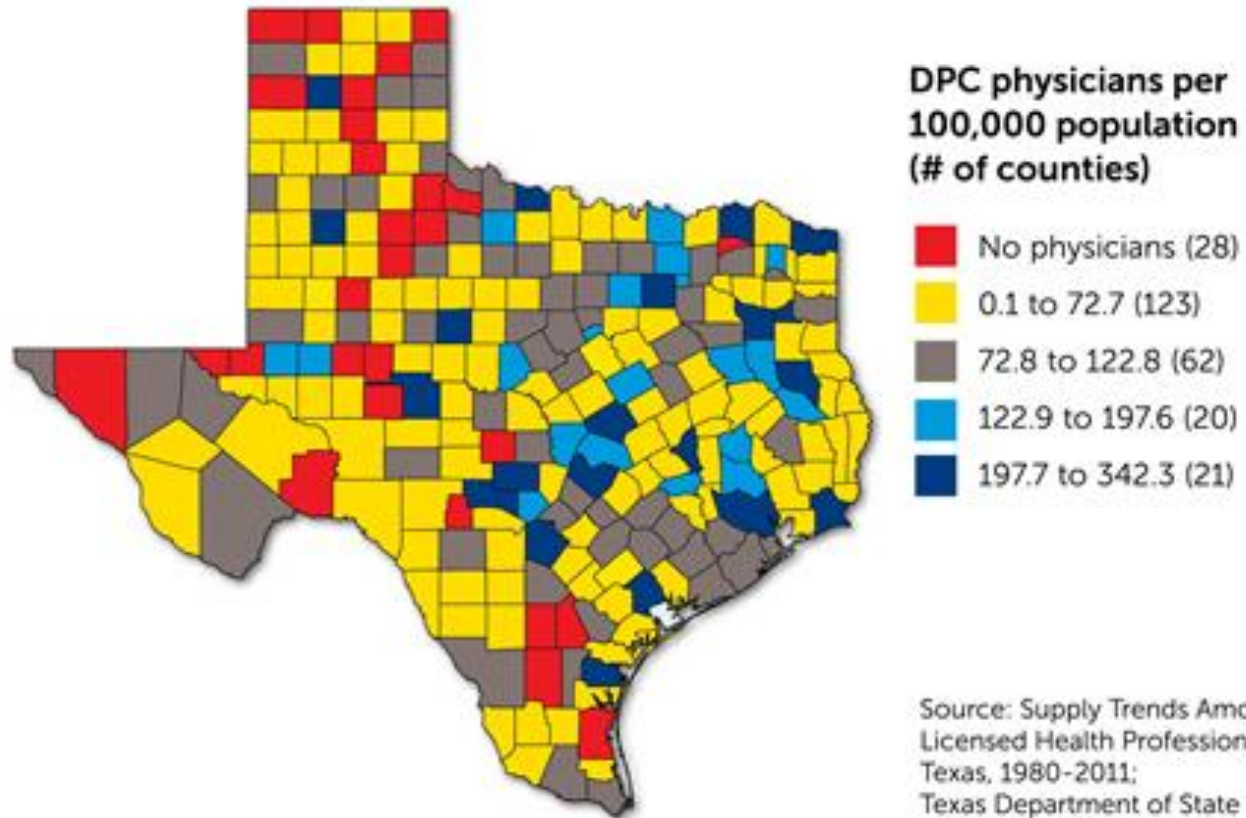
Source: CODE RED: The Critical Condition of Health in Texas, 2015. For more information, please see CodeRedTexas.org



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Direct Patient Care Physicians

Direct patient care physicians per 100,000 population, 2011



Source: Supply Trends Among
Licensed Health Professions,
Texas, 1980-2011;
Texas Department of State
Health Services

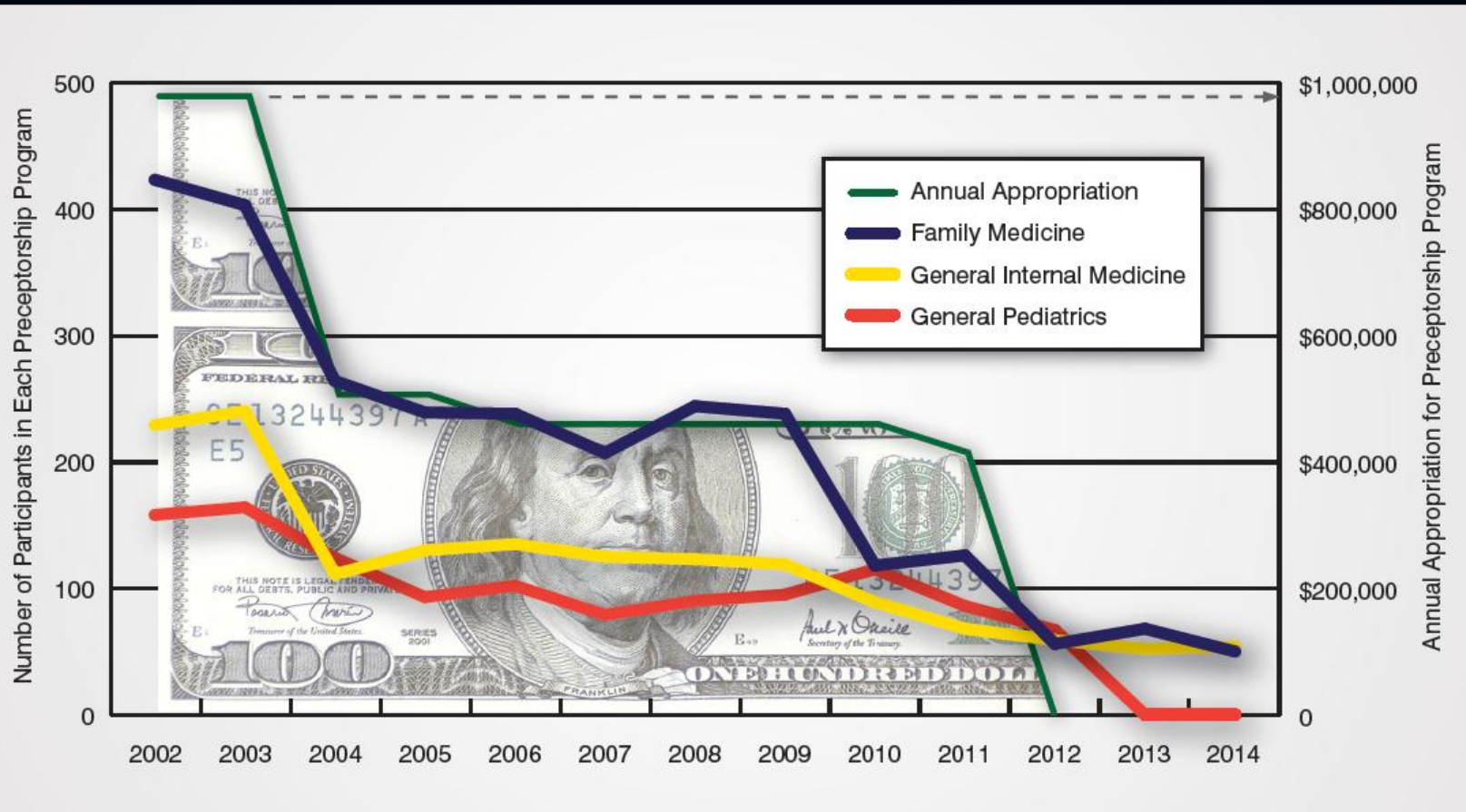


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Participation & Funding for Texas' Primary Care Preceptorship Programs

PARTICIPATION AND FUNDING FOR TEXAS' PRIMARY CARE PRECEPTORSHIP PROGRAMS

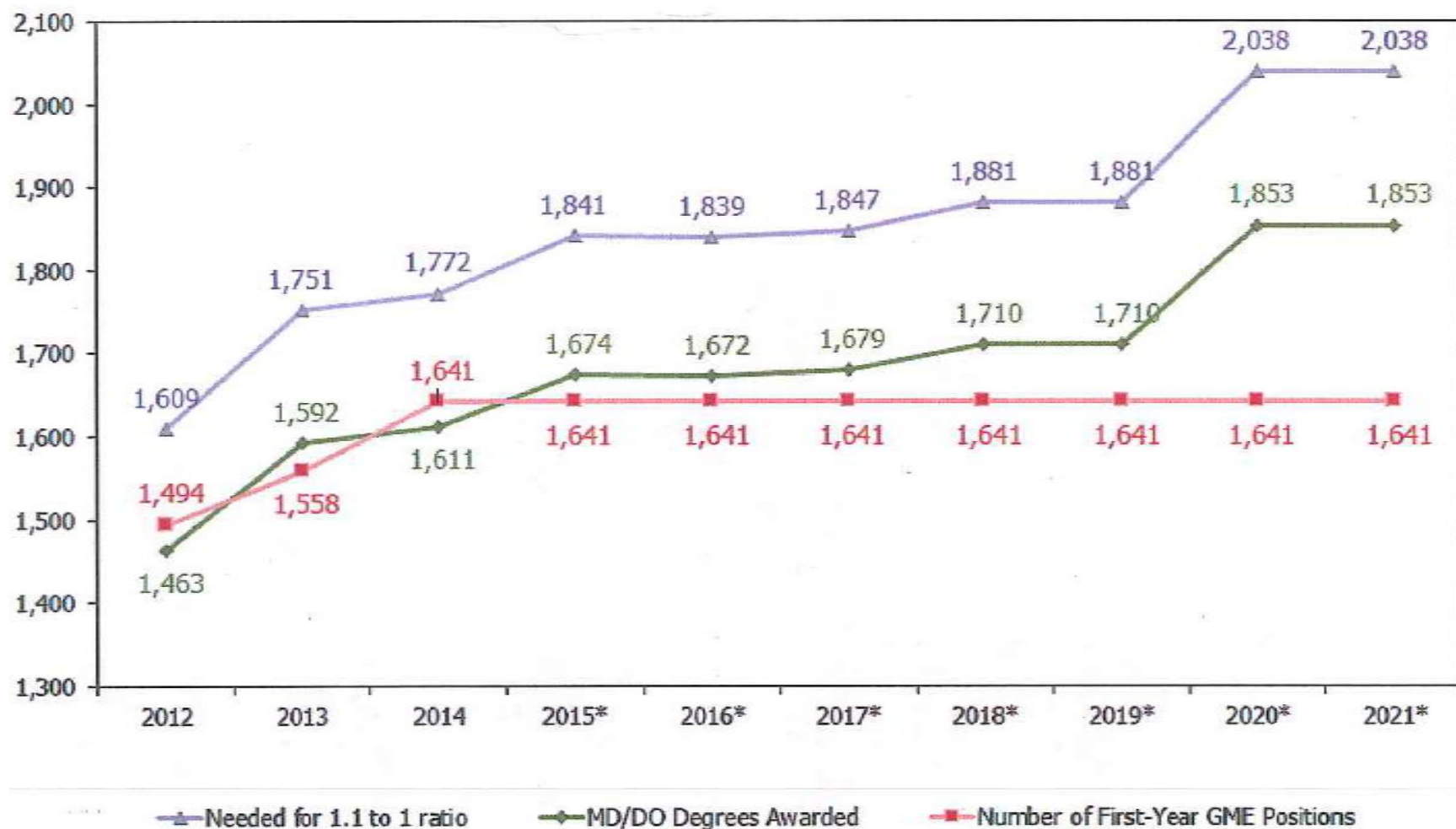
Cuts and then the elimination of the programs' funding has caused participation to drop by about 85%





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Projections Needed to Achieve 1.1 to 1 Ratio





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Legislative Initiatives

The 83rd Legislature made important investments in graduate medical education (GME), including:

- Family Practice Residency Programs
- Professional Nursing Shortage Reduction Program
- “Virgin Hospital” GME Planning Grants (\$150,000 each)
- Unfilled accredited positions (\$65,000)
- Expanded existing programs (\$65,000)
- Loan repayment programs (\$160,000/4 years)

Texas should maintain these gains---and keep on making progress.



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CHIP and Code Red Recommendations

CHIP Coalition's Principles echo the CODE RED 2015 Health Care Workforce Recommendations.

Code Red:

- Points out the value of community health workers, promotoras/es, and health navigators, and the need for training and advancement systems for these workers.
- Supports practice authority commensurate with “fullest extent of education...”



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Principle 4: Bolster the Texas Health Care Workforce

1. Increase investments in health care provider education and training programs with particular emphasis on **expanding training and residency capacity** to ensure that there are enough physicians and other providers to serve our fast-growing population.
2. Maintain funding for the Texas **Nursing Shortage** Reduction Program, a program that incentivizes increasing the number of nursing graduates in the state.
3. Invest in and develop innovative ways to **recruit and retain mental health professionals at all levels of care.**
4. Ensure that all available funding for the **physician and dental loan repayment programs** be appropriated to encourage more physicians and dentists to practice in medically underserved areas and other areas of need for the Medicaid and CHIP populations.



Principle 6: Improve the health and well-being of Texas children by maximizing opportunities to connect entire families with affordable health care

1. Take timely advantage of the flexible options available under federal law for Texas to close the Coverage Gap.
2. Consider the positive impact on child and family well-being if low-income parents of children in Texas Medicaid could also access care.
3. Assess the economic impacts of closing the Coverage Gap for state and local government budgets, including job creation, local and state revenue gains, reduced employer tax penalties, and offsets to current local and state health, mental health, and criminal justice costs.

The Texas Coverage Gap

Refers to U.S. citizen Texas adults that have no affordable options for healthcare coverage.

They make less than the poverty level (\$20,000 for a family of 3) and are not offered healthcare coverage through their job.

Texans below poverty are ineligible for financial assistance in the healthcare Marketplace.



1 million Texans in the Coverage Gap could fill the city of Dallas

The Coverage Gap

Single parent with
2 kids living on

\$19K per
year

Kids get Medicaid

Mom gets no
financial help and
has **no affordable
options**



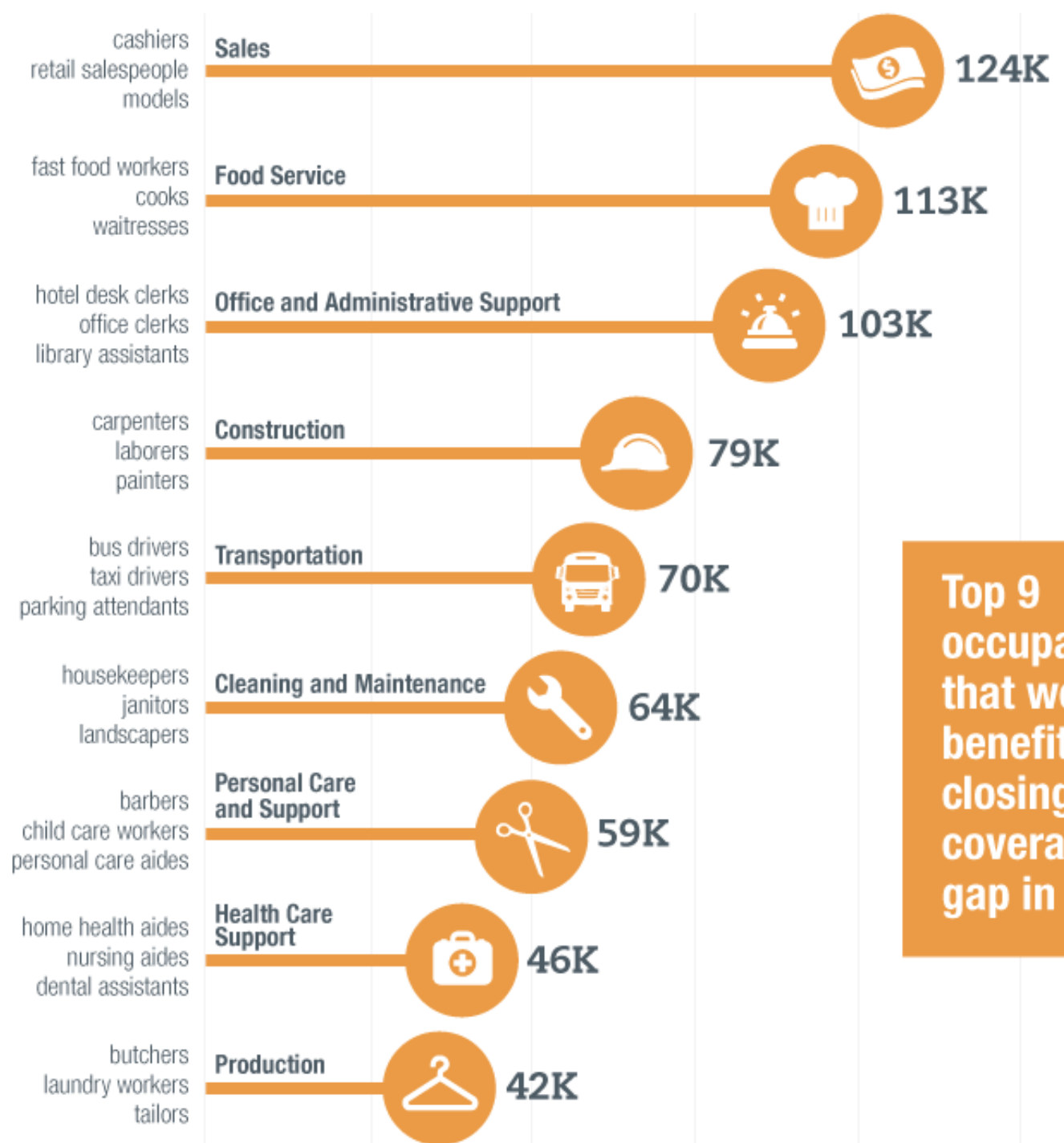
Single parent with
2 kids living on

\$20K per
year

Kids get Medicaid

Mom gets sliding-
scale Marketplace
coverage for
\$33/month or less

Majority of Texans in the Coverage Gap are Working



Top 9
occupations
that would
benefit from
closing the
coverage
gap in Texas

Kids Do Better when Parents also Get Coverage

Research finds:

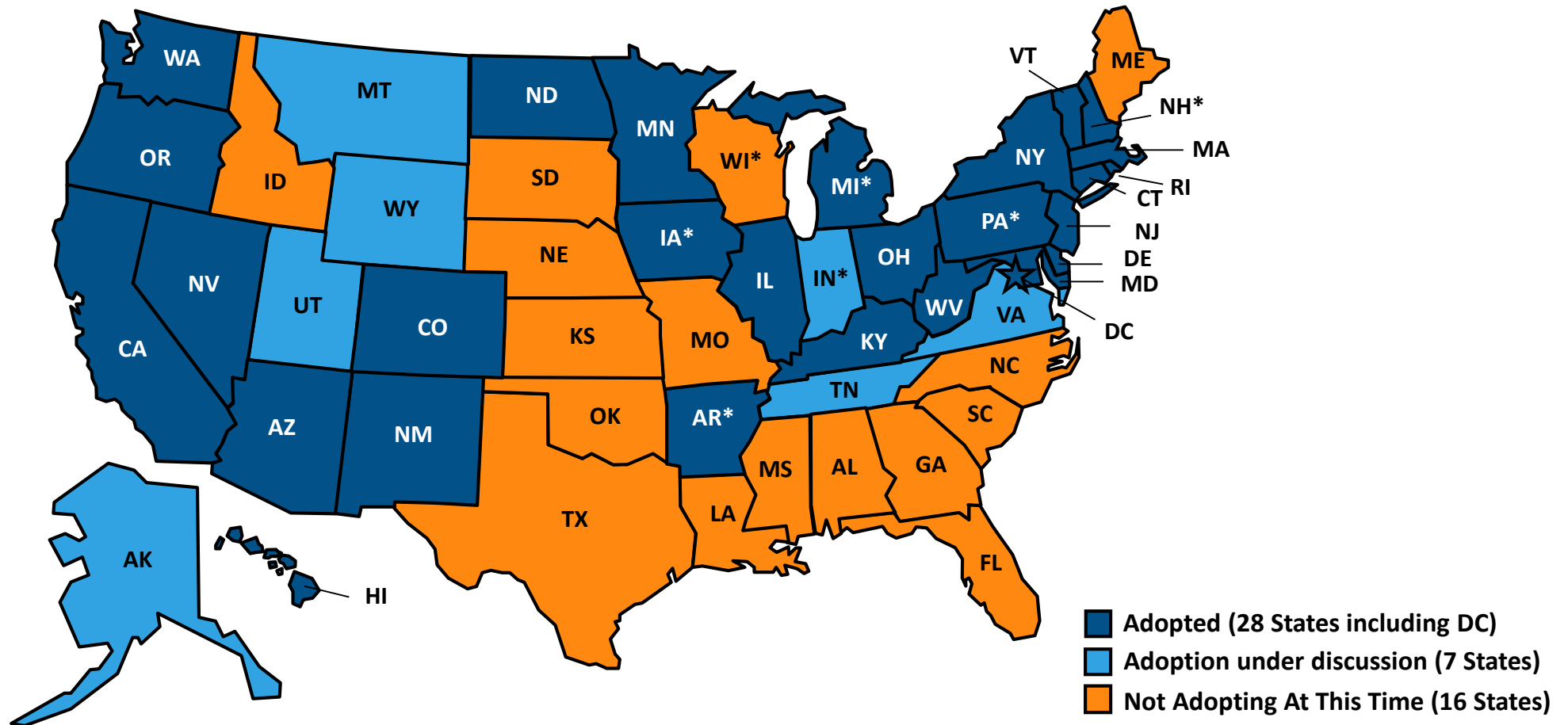
When parents are covered, children are more likely to:

- ✓ Get Enroll
- ✓ Stay Enrolled
- ✓ Receive more preventive care and other health care services

Parents' health can affect children's health and well-being

Parents who can't get routine and ongoing care may be unable to work, or may end up with big medical bills even when they do get care. This creates stressful home environments and financial consequences that have a big impact on children.

Current Status of State Medicaid Expansion Decisions



NOTES: Under discussion indicates executive activity supporting adoption of the Medicaid expansion. *AR, IA, MI, and PA have approved Section 1115 waivers; IN has a pending waiver to implement the expansion. The PA waiver is set to go into effect on January 1, 2015, but the newly-elected governor may opt for a state plan amendment. NH has submitted a waiver to continue their expansion via premium assistance. WI covers adults up to 100% FPL in Medicaid, but did not adopt the ACA expansion.

SOURCE: "Status of State Action on the Medicaid Expansion Decision," KFF State Health Facts, updated December 17, 2014.

<http://kff.org/health-reform/state-indicator/state-activity-around-expanding-medicaid-under-the-affordable-care-act/>

Red State Alternatives

Conservative States, Republican Governors have Negotiated Coverage

Ex: Arizona, Indiana,* Iowa, Michigan, Nevada, New Jersey, New Mexico, North Dakota, Ohio, and Pennsylvania.

Texas can look to other “red states” for a menu of alternative approaches:

- **Benefits:** for the newly-covered adults based on commercial & small business plan standards;
- **Personal Responsibility Provisions:** Cost-Sharing for the newly-covered adults is allowed, including premiums under “1115 waivers.”
- **Financial incentives for wellness behaviors:** like check-ups, immunizations, and participation in chronic disease management programs
- **Integration with Marketplace:** maximizing use of private insurers and HMO-style managed care. Some states combine Medicaid Managed Care below poverty, and Marketplace for adults 100-138% of the federal poverty line (FPL).
- **Flexibility Exists, within Limits:** Under federal law, 1115 waivers must “further purposes of Medicaid.”

Support for Closing the Coverage Gap

- Texas Association of Businesses
- Dallas Citizens Council
- Chambers of Commerce across Texas
Arlington, Dallas, Fort Worth, San Antonio, Houston, El Paso, Waco, Beaumont (Lubbock, Longview, Huntsville)
- Bipartisan County Judges
Harris, Tarrant, Dallas, Bexar, Travis, El Paso; Nueces
- Hospitals, doctors, community healthcare centers
- Editorial Boards
Austin, Corpus Christi, Dallas, Waco, Ft Worth, Longview, San Antonio, Houston, Beaumont

The Texas Way Program

The Texas Way Program

A private
insurance
program for
low-wage
working
Texans.



The Texas Way Program: Why It Is Needed

- >1 million low-wage working Texans with no access to public or private insurance
- \$5.5 billion annually in hospital uncompensated care
- Inefficient health care spending:
 - Use of ER as primary source of care
 - Uncompensated care costs shifted to privately insured and local property taxpayers
- **The Texas Way is not Medicaid expansion!**



The Texas Way Program: What It Is

- Responsible use of available federal funds
- Subsidized private market insurance for > 1 million low-wage working Texans
- Way to engage consumers in health care decisions
- Equity for hospitals and other health care providers to offset reimbursement rate cuts under ACA
- Opportunity for Texas to be at forefront of health care innovation

The Texas Way Program: Improved Consumer Engagement

- Targeted use of health savings accounts
- Required point-of-service cost sharing
- Incentives to work / seek employment / seek job training
- Incentives for appropriate use of hospital emergency departments
- Incentives for meeting health benchmarks

The Texas Way Program: Impact

- Less uncompensated care
- Healthier, more productive workforce – less absenteeism; less turnover
- Financial relief for privately insured and local property taxpayers
- More effective health care system

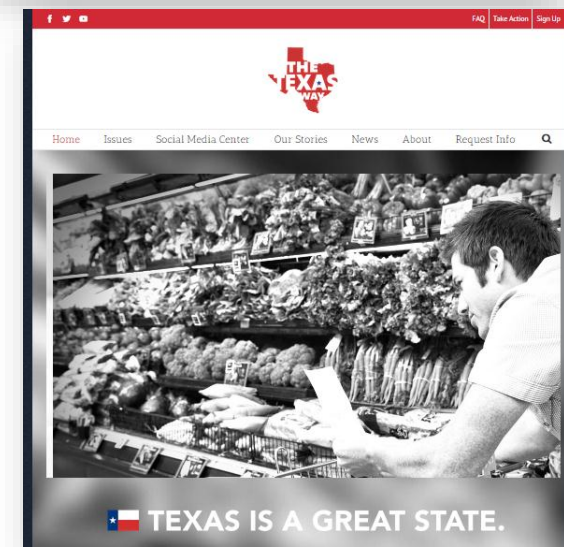
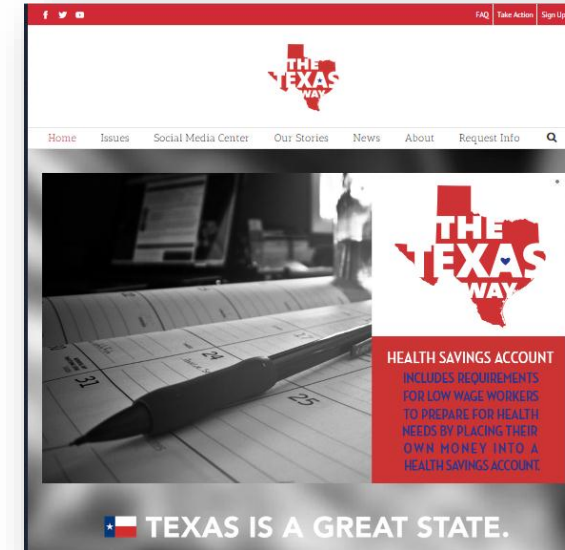
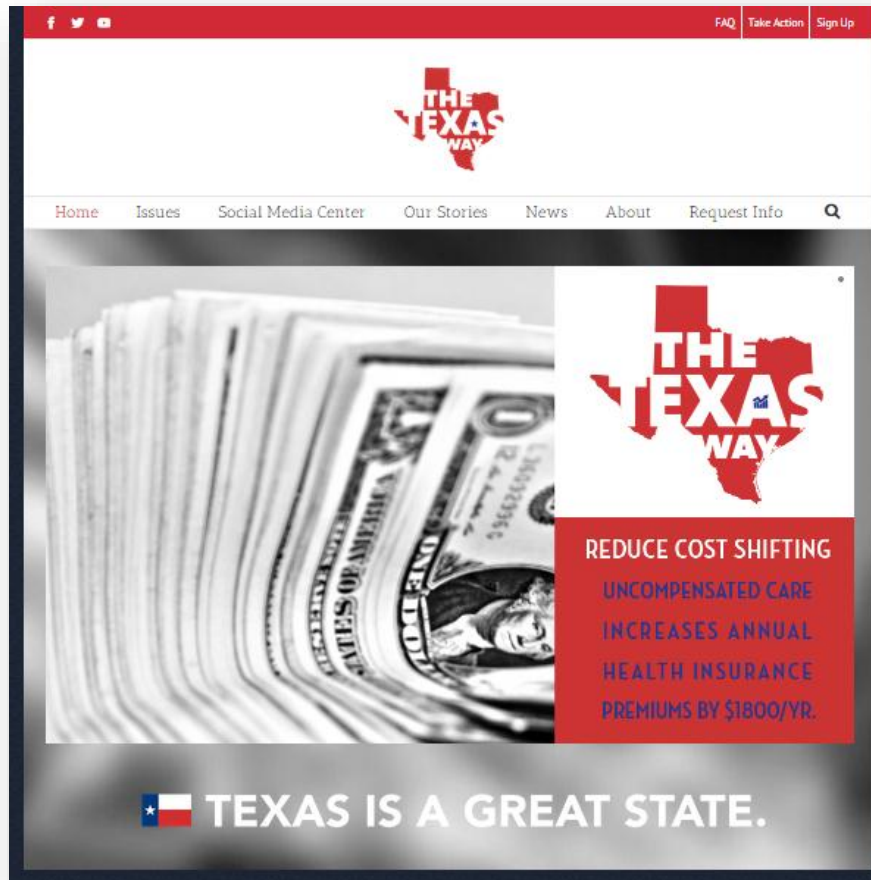




Texas Way Program

More Information

www.texasway.com





The Texas CHIP Coalition outlines the following principles:

Ensure that:

- **Outreach, enrollment, and the eligibility system are user friendly and support continuous coverage for Texas children and families.**
- **Children can get the health services that they need.**
- **Adequate funding is provided for critical health and human services.**

Bolster the Texas health care workforce.

Improve the value of state spending by supporting practices that improve the quality and outcomes of care for children, mothers, and newborns.

Improve the health and well-being of Texas children by maximizing opportunities to connect entire families with affordable health care.

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Physicians Caring for Texans



**Texas Pediatric Society -
Texas Chapter of the American
Academy of Pediatrics**



**Children's Hospital
Association of
Texas**

