

Texas CHIP Coalition Minutes
Friday, May 15, 2009 - 12:00-2:00 p.m.
May Owen Conference Room, 10th Floor
Texas Medical Association

Attendees: Pam Hardin, Blanche Rosas, and Kay Ghahremani, *Texas Health and Human Services Commission*; Kevin Denmark, *Maximus*; Scott McAninch, *San Antonio Nonprofit Council*; Jana Blasi and Sonia Lara, *Texas Association of Community Health Centers*; Amy Casso, *LaFe Policy Research and Education Center*; Bryan Sperry and Robin Butler, *Children's Hospital Association of Texas*; John Berta, *Texas Hospital Association*; James Mason, *Texas Impact*; Laura Guerra-Cardus, *Children's Defense Fund*; Sister JT Dwyer, *Seton Family of Hospitals*; Shannon Foster and Jan Hudson, *Seton Health Plan CHIP*; RexAnn Shotwell and Kit Abney Spelce, *Insure-a-kid*; Helen Kent Davis and Stacy Warren, *Texas Medical Association*

Via conference call: Catherine Blue, *Association of Community Organizations for Reform Now (ACORN)*; Julia Easley, *Children's Medical Center of Dallas*; Jose Gonzalez, *Driskill Children's Health Plan, Corpus Christi, TX*

Ms. Little of Texans Care For Children called the meeting to order at 12:10 pm.

Ms. Little laid out the meeting's agenda and asked attendees to introduce themselves.

CHIP Reauthorization Act and CHIP mental health, dental, and perinatal coverage

Ms. Little introduced Chris Traylor, Associate Commissioner for Medicaid and CHIP at the Texas Health and Human Services Commission (HHSC). He discussed the impact that the CHIP Reauthorization Act (CHIPRA) will have on CHIP mental, dental, and perinatal health benefit coverage.

CHIP Mental Health Coverage

CHIPRA requires states to be in compliance with the Mental Health Parity Act but does not have any new restrictions on financial eligibility requirements. Complying with the parity act will require Texas to remove the following limitations:

mental health:

- 45 day inpatient mental health service days,
- 60 days rehabilitation daytime treatment,
- 60 days outpatient visits for mental health treatment within a 12 month period,

substance abuse:

- 14 days of crisis stabilization and detoxification,
- 60 days of 24-hour residential rehabilitation services,
- 12 weeks of intensive outpatient substance abuse treatment, and
- 6 months of outpatient substance abuse treatment.

Although no specific guidance on how to implement mental health parity at the state level by the Center for Medicare and Medicaid Services (CMS), it is assumed that the above limitations would be removed as of September 1, 2010. Mr. Traylor said that there is no expectation of any substantial funding increase for CHIP coverage because not many children use these high-end services. Changes made would impact CHIP coverage and not Children's Medicaid, because the child health component of Children's Medicaid (aka Early Periodic Screening, Diagnosis, and Treatment (EPSDT) Program) covers any medically needed treatment.

There is a bill before the legislature that would allow adult Medicaid to cover substance abuse treatment and would put adult Medicaid in compliance with the Mental Health Parity Act. The bill looks like it will pass because the Legislative Budget Board estimates that offering the services would be cost neutral. After three years if services are cost-effective or neutral, then the provision would remain.

Question: Would Texas be required to implement the changes prior to 2010?

Answer: That would be a local option –not required.

CHIP Dental Coverage

Mr. Traylor said that HHSC wants to make sure that they are in compliance with federal Medicaid law and maximize stimulus funds through CHIPRA, but CMS has not provided specific guidance regarding compliance to states so far. Texas is unsure whether CHIP's current three-tiered system of coverage for preventative, restorative, and therapeutic treatments will meet federal requirements. Under this current system, a child is categorized into one of the three tiers depending on how long the child has been part of the CHIP program, with higher tiers indicating longer time in the program.

- Tier 1: up to \$250 in prevention and up to \$280 in therapeutic services are covered; and
- Tier 2: up to \$250 in preventative, and up to \$425 in therapeutic services, and
- Tier 3: up to \$250 in preventative treatment and up to \$650 therapeutic treatment.

Dental-only CHIP would provide dental coverage for families with employee-sponsored health insurance but whose family income is below 200% of the federal poverty level. If CMS says that Texas does not meet the requirements of CHIPRA there will be a large cost for being out of compliance. However, there is currently no guidance on what needs to change, how to implement those changes, or how much it may cost. Once CMS provides additional directions, Texas will take steps to be in compliance.

Question: When is dental CHIP coverage effective?

Answer: October 1, 2009.

CHIP Perinatal Coverage

Texas residents who are pregnant, uninsured and not able to get Medicaid (due to income over the eligibility limit) may be able to get CHIP perinatal benefits. For many years, the Texas Perinatal coverage has been constructed in a complex manner. CHIP Perinatal covered costs associated with prenatal care → Medicaid covered birth/delivery costs → CHIP covered postnatal treatment services.

CMS told Texas that this could not be done (patchwork coverage). Texas sent follow-up questions to CMS but has not yet received responses from the federal agency. It may be possible to create a full CHIP Perinatal Program to cover prenatal, labor/delivery, and postnatal services for expectant mothers whose income is above the Medicaid eligibility limit. This would make it easier for families to have continued care and easier for the state to process claims. However, there may be federal limitations through CHIPRA and AARA that would make it impossible to implement a CHIP Perinatal coverage plan. Mr. Traylor said that the state's match for paying for care is higher in CHIP than Medicaid, so the state wants to make sure that all births that should be through Medicaid are getting paid for by Medicaid rather than CHIP, but he said that an all-CHIP perinatal program would be smoother.

Question: Can women with incomes of 185% of FPL get their labor costs covered through Medicaid?

Answer: Over the next month, once a new federal HHSC secretary has an opportunity to get settled, name positions (like that for CMS), many of the questions that Texas has posed to CMS will be answered.

Question: A family in Corpus Christi called Driskill Children's Hospital and asked for help with getting a 17-year old pregnant teen prenatal health benefits. The teen had been told she does not qualify for CHIP Perinatal because the family is outside of the income eligibility bracket--what can the family do?

Answer: If the family's income is outside of the eligibility threshold, the teen may be eligible for regular CHIP even if she does not qualify for CHIP Perinatal. Blanche Rosas with HHSC will help Driskill Children's Hospital resolve the family's prenatal health coverage problem.

Question: Will there be any citizenship or documentation changes?

Answer: Not to Medicaid. In fact, CHIP will become more restrictive and adopt Medicaid eligibility verification requirements –effective date January 1, 2010.

Question: What about medical coverage for legal permanent resident children (LPRs)?

Answer: Expansion of Medicaid to LPRs is targeted for sometime after September 1, 2009. Texas is in process of bringing LPRs into Medicaid. Hospitals are aggressively trying to get these children into Medicaid.

Question: What about bonus payments for Texas CHIP?

Answer: Various things in CHIPRA would allow states to access bonus payments from the feds for CHIP. It is going to be hard for Texas to get this money without statutory changes so Texas probably will not receive bonus payments.

Question: Is HHSC looking at all ‘express lane’ eligibility processes? Did anyone from HHSC attend the national policy conference call?

Answer: Presenters were not on that call, but others with HHSC were. No serious movement has been made to implement express lane processes because the documentation verification process is complicated –it is difficult to verify all the pieces of eligibility requirement, especially citizenship, if ‘express’ procedures are used. Additionally, implementing such a process would have to be preceded by legislative requirements (mandate and directions).

Question: What about health coverage premium assistance? What can be done to allow for premium assistance?

Answer: Again, federal guidance has not been given and HHSC is unsure what will change with respect to how premium assistance will be managed. Right now Texas is in a managed health care (HMO) environment and there is not a way to implement a premium assistance program. There is another regulation that says employers must pay 40% of premium assistance for people who would be eligible for a premium assistance program. Currently there is a premium assistance program for Medicaid recipients but not for CHIP.

A request was made that talking points be sent out to the group by HHSC.

New CHIP and Medicaid Application Website

Ms. Rosas said www.chipmedicaid.com went live (implemented) May 9, 2009. The website allows individuals to apply for Children’s Medicaid or CHIP, or renew CHIP eligibility. Between May 9, 2009 and May 15, 2009, over 1300 applications had been submitted through the website. There has been no advertisement of the availability of applying online, but public education (press releases) will begin the week of May 18th. Ms. Rosas also explained the application process:

- 1) An individual submits an application online. (The eligibility determination time period begins when the application is submitted online.) **Note:** *An individual can also print out an application or request that an application be mailed to him/her.*
- 2) There is no screening done at the time the application is being filled out online. Applicants simply complete the prompts (interview-style questionnaire) and a copy of the application is available once the applicant hits ‘submit.’
- 3) At the time that the application is submitted, the applicant can fax in supporting documents. However, it is better if an applicant waits for Maximus to contact the applicant by mail requesting specific supporting document requirements. Maximus will send the applicant a hardcopy application with a tracking number and request that the applicant provide an original signature, and may request that the applicant submit additional supporting documents. **Note:** *Applicants can check the status of their application online within 48 hours of submission.*
- 4) Maximus then forwards the application and supporting documentation to HHSC.

Question: Can information about the online application be forwarded out?

Answer: Yes, bullet points or something similar to that will be distributed to the group.

Question: Can CHIP and Medicaid renewals be done online?

Answer: For CHIP and Medicaid initial applications can be done online. CHIP renewals can be completed online. Medicaid renewals cannot be completed online.

Question: What is the time frame from when an application is submitted online to the time the applicant receives notification from Maximus?

Answer: Maximus has eight business days to initiate action on an application. Typically a letter should be sent out within two weeks (from the time the application is submitted.) An applicant can check the status of his/her application online through www.CHIPMedicaid.com and if information is missing, the status will read "MI" for missing information.

Question: Can the status codes be shared with the group?

Answer: Yes. Ms. Rosas will send the codes out to the group.

Question: Doesn't the process seem to keep things stalled--because families must wait for a letter asking for more information, and the letter is sent out two weeks after the application is submitted?

Answer: Not necessarily, because if the information provided by the applicant online is sufficient, then no additional documentation will be requested and the applicant will receive an award (CHIP or Medicaid eligibility, CHIP recertification) letter. However, the efficiency of this online process cannot really be answered at this time because the online application process just launched. So it is unclear whether this new process is actually time effective.

POINT: A person's address must be accurate with HHSC in order for a CHIP recertification letter (and online access and password) to be sent out to an individual as a reminder that CHIP recertification is needed.

Question: Can we have a live demonstration of how to apply online at the next CHIP Coalition meeting?

Answer: Yes, this will be arranged for the next meeting.

Update on bills affecting Medicaid and CHIP

Ms. Guerra-Cardus with the Children's Defense Fund provided the group with a legislative update on CHIP bills.

SB 841 – passed the Senate, only two Senators voted against it. The bill has been referred to the House but has not been scheduled. It will likely not be set for a public hearing and the assumption is the bill will move out of the House.

UPDATE: Placed on State Calendar for 5/25/09

HB 1541 – While everyone did great work supporting the bill, HB 1541 stalled in House calendars and is dead. One possible strategy is to add amendments to HB 2962.

HB 2962 – This is like "CHIP Plus." Only families who are coming off of CHIP or Medicaid because their income is over 300% of the federal poverty line (FPL) would be eligible for a full cost CHIP buy-in up to 400% FPL. Amendments may include: clarification to full-cost buy-in eligibility provisions, 12-month coverage, and income eligibility disregard for the first vehicle and college savings plan. Representative Davis, sponsor of the bill, commented that he cannot support the bill now that there is a 12 month coverage provision. It is not clear what his resistance is to the amendment because extending coverage to 12 months would not cost the state. In fact, Texas can draw down stimulus funds to cover 12-month CHIP coverage costs. Representative Turner held a news conference where he clarified that 12-month CHIP coverage would be sunsetted (terminated) in 2011 if the state cannot continue to provide 12-month CHIP coverage at the time the legislature reconvenes in two years. HB 2962 will likely get sent to the Senate and could die if it is never moved out of committee. There is a real push for people to ask Dewhurst to send the bill to a committee that will work on keeping the bill viable and moving. It is also important to note that Dewhurst had said earlier in the session that he supports CHIP.

Current status: HB 2962 referred to Senate Finance on May 19, 2009.

POINT: The big unknown is what the Medicaid budget will be. Article 12 will be looked at on Sunday, 5/17/09.

Question: When the legislature reanalyzes the budget for Medicaid, what will happen on Sunday?

Answer: Several factors will be evaluated—caseload projections may change, projection on costs may also change, and the enhanced FMAP (Federal Medical Assistance Percentages) may have a positive change. It is difficult to say what assumptions will be used in the budget process.

POINT: Texas Medical Association (TMA) representative pointed out that HHSC has been concerned about general budget and case flow management authority because of regulatory language that places tighter restrictions on how funding can be used.

Question: (Jose asked) What about upcoming CHIP calendar events in the Corpus Christi area?

Answer: Ms. Rosas said she will get that information to the Driskill Children's Hospital representative.

Update on bills related to provider payments

Ms. Kent Davis of Texas Medical Association presented a legislative update on bills related to provider payments.

She asked that the group begin to think of amendments that may be added to SB841, which expands CHIP above 200% FPL, in order to roll in aspects that have otherwise died off in other bills.

Ms. Kent Davis said that with the Frew lawsuit, there is unexpended balance and a lot of confusion.

Helen also said the provider rate increases money for community attendant services and 3% for physicians, but the overall amount has been reduced from what had been earlier proposed. So, the provider rate increases have been less than hoped for but better than nothing.

Update on bills related to private healthcare coverage

Mr. Mason of Texas Impact provided an update on private healthcare coverage.

SB 6 (Duncan/Nelson) or Healthy Texas, was picked up by Rep. Zerwas in the House. Heard in House Insurance, but not voted out. Probably has the votes to get out of committee, but not all members support it.

HB 2064 (Smithee) creates a sliding scale for families moving into a high-risk pool was passed.

SB 1771 (Duncan) would allow the continuation of COBRA for employers with 20 employees or less would take advantage of stimulus dollars. The bill is pending in House Local and Consent.

SB 1257 (Averitt) would require private healthcare insurance companies to disclose medical loss ratios—the percentage of insurance premiums that actually go to providing healthcare rather than insurance company administration and profits, which would better inform consumers as they shop for policies on the market—is doing well.

SB 1007 (Hegar) or the TDI sunset bill should get out of committee next week and get on the floor with four amendments. The bill is doing well on the Senate side but is stalled in the House.

Senator Nelson's SB 76 "child only group plans" bill would allow employers to provide coverage for children of eligible employees without covering the employee. This bill has passed the Senate but not the House. The bill is in the House Insurance Committee. There are concerns that employers may want to drop adult coverage to provide coverage for children.

Mr. Mason said that so far, not too many good bills have died.

Update on Child Obesity Prevention Bills

Ms. Lugo of Texans Care For Children asked the group if anyone had questions or specific concerns about childhood obesity legislation. She described that some senate bills were stalled in the House, but a few had been signed.

Update on Infant Health Bills

Ms. Little quickly updated the group on the status of several bills relating to infant health.

HB 2789, which would have created a state jail felony for mothers who give birth to a drug positive baby, is dead, and the senate companion (SB342) never moved at all. Ms. Little described a concern that Texans Care For Children had about the bill creating a strong disincentive for mothers who have used drugs during pregnancy to seek medical care at birth, and had opposed it.

HB 1240, which would create a law that women who have babies whose delivery is paid for by Medicaid receive parenting guides, passed both chambers and has been sent to the Governor.

SB 1720 and HB 1795(Greyson's law), which would increase the scope of genetic disorders screened for at birth, has passed both Chambers and has been sent to the Governor. Ms. Little said that amendments have been made to the bills that address concerns that Ms. Sanders of March of Dimes had described in a previous CHIP meeting (expanding the scope of diseases screened for while leaving out screening and treatment funding for the more common disorder, cystic fibrosis). Ms. Little said that based on her understanding, this is a better bill now as amended.

HB 681 would make sure that grocery stores post warnings about methylmercury levels in fish for pregnant women and small children. There's been some push back from the fish industry. Bill passed the House and was heard in Senate but has been stuck in committee and may die before the Senate deadlines are reached.

With no other business, the meeting ended at approximately 1:50 pm.