

## Texas Update February 2009

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### Policy and Issues Forum Update – Thanks for your hard work

Thank you for all of your hard work at the Policy and Issues Forum on February 2 and 3. We had a tremendous response from legislative members who are willing to support our issues – *that is directly related to your contact with them*. Thank you! We are looking for your participation again now and in the coming months as issues develop. See below for action items:

### The Health Care Access Bill – HB 1876 – Ask Your Texas House Representative to Co-Sponsor!

After a long wait, the Health Care Access Bill has been filed just this week! HB 1876 by Warren Chisum (R-Pampa) and Richard Raymond (D-Laredo) creates the Health Care Access Fund that will provide significant loan repayment for health professionals who practice in underserved areas and support health center expansions throughout the state. The bill is already starting to generate positive press. Check out one [editorial](#) from the February 20 Fort Worth Star-Telegram detailing the seriousness of the provider shortage, and another that ran in the [Austin American-Statesman](#). Harvey Kronberg of the capitol news website the Quorum Report wrote about the bill yesterday upon its filing. See a copy of that story attached. Coming soon TACHC will be sending members customizable press releases and op-eds for your centers to generate local media coverage on this issue. We will also be launching an educational website on the bill.

TACHC staff have been building on your work contacting your representatives, and we, along with our partners at the Texas Academy of Family Physicians, are generating a significant amount of support for this effort among other legislators. **Now is the time to ask your representative to co-sponsor this legislation.** I have attached an EXECUTIVE SUMMARY of the bill to this message for your reference.

Please call your Representative in the Texas HOUSE. We are targeting House members now because the funding source for this bill is the restructuring of a tax, the bill must begin in the House. You can find a contact list for Texas House members here: <http://www.house.state.tx.us/members/welcome.php>

**Call your [state representatives](#) and ask them to support HB 1876 by signing on as a co-sponsor. Please follow up with me to let me know about the responses you're getting.**

## **SB 526/HB 1169 – Reauthorization of the FQHC Incubator Program – To Be Heard In Committee**

SB 526 by Nelson, which reauthorizes and expands the scope of the FQHC Incubator program will be heard in the Senate Health and Human Services committee on Tuesday March 3. Representative Armando Martinez of Hidalgo county filed identical HB 1169 on the House side. We will keep you updated on this issue's progress and reaction from the Senate committee.

### **Texas Budget Update**

As we reported in the January Texas Update, Texas lawmakers were facing a \$9 billion dollar shortfall for the 2010-2011 biennium unless they drew on the state's Rainy Day Fund to bridge the funding gap. The recently passed Federal economic stimulus package has changed the budget outlook, however. While the stimulus package offers states substantial fiscal relief in health care spending, as well as in other areas of the budget, questions remain on how those funds will be spent and what process will be used to govern that spending.

One key question is exemplified by the enhanced federal match rate for Medicaid spending. Under the stimulus package, the Federal government has increased the percentage of Medicaid funds it provides to states. These new Federal dollars will free up state general revenue in the Medicaid program, meaning it will cost less to the state to provide the same level of service. State lawmakers will then have the option of using these state dollars in the Medicaid program, somewhere else in the health care budget, or in an entirely different area of the budget such as education or transportation. Health care advocates are pushing hard for the displaced dollars to be reinvested in health care, specifically to expand children's coverage and to fix the still ailing eligibility system.

### **Update on Children's Coverage Initiatives**

In initial budget hearings this session, Albert Hawkins, Executive Commissioner of the Health and Human Services Commission noted that as many as 800,000 children in Texas remain eligible for Medicaid and CHIP but not enrolled, despite significant gains achieved in the CHIP program as a result of last session's HB 109. State lawmakers have responded with a number of bills addressing children's coverage. Key proposals include:

- Expanding CHIP eligibility to 300% of the Federal Poverty Level (FPL). This expansion became possible under the recently approved Federal CHIP reauthorization bill.
- Creating a CHIP buy-in program for families between 200 and 300% FPL. This more conservative approach allows relatively more affluent families to pay a gradually increasing share of the CHIP premium to participate in this program.
- Providing twelve months continuous eligibility to children on Medicaid. This proposal TACHC sees as particularly crucial for meeting the health needs of Texas kids.

The fourteen plus bills currently filed on these topics will most certainly be consolidated into a few key proposals as the session progresses and budget decisions are finalized. Here too, the Federal economic stimulus package will play a role in deciding which programs will become law. Stay tuned...

### **Private Insurance Reform Also an Important Topic This Session**

Recognizing that health reform in Texas will take reform of the private insurance market, lawmakers in Austin are considering a “Healthy Texas Reinsurance Program for Small Employers.” This new program, designed by the Texas Department of Insurance as directed by last session’s Medicaid reform bill SB 10, is a comprehensive health insurance program that is geared to provide a more affordable health insurance benefit plan for uninsured small employers (2-50 eligible employees). The proposal involves using public-private partnerships to bring down the high cost of insurance premiums through the use of public reinsurance. Public reinsurance uses public funds to pay high-cost claims for private health insurance companies. This public investment reduces the risk faced by private health insurance companies, thus allowing these companies to charge reduced premiums to beneficiaries. To insure this new program targets uninsured Texans, it would be offered initially to employers who have not provided health insurance benefits for the last twelve months. Coverage advocates report that Senator Duncan (R- Lubbock) along with Senator Nelson (R-Lewisville) will be filing their “Healthy Texas” bill in the coming days.

**Registry Link for New Advocates – [Sign Up Today!](#)**