



**House Appropriations Committee
Subcommittee on Article II
Texas Health and Human Services Commission
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Written Testimony Submitted on behalf of
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Texas Academy of Family Physicians
Texas Pediatric Society
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On a variety of indicators, Texas is the envy of other states, including job creation, entrepreneurial zeal, and its bevy of world-renowned universities and medical centers. **Yet while Texas undoubtedly excels in many sectors, on the issue of access to care for working Texans and their children, there is still much room for improvement.**

- **Texas remains the uninsured capital of the nation.** Despite a thriving economy, the number of Texans who lack coverage is increasing, up from 16 percent in 2016 to 19 percent today. Among children, one in five uninsured children *in the country* live in Texas, though most are eligible for children’s Medicaid or the Children’s Health Insurance Program (CHIP). As organizations dedicated to improving the health of all Texans, these numbers greatly alarm and trouble us.

Going without health care coverage can have serious health consequences. Patients without coverage are less likely to receive cost-saving preventive, primary and specialty care. Early identification and treatment of chronic illnesses like asthma, high blood pressure or diabetes can greatly reduce the likelihood of serious illness, yet without affordable health coverage, patients, particularly low-incomes ones, often forego treatment.

- According to the state’s September 2018 report on maternal mortality and morbidity, **women’s lack of access to regular preventive, primary, and specialty care before and after pregnancy contributes to Texas’ high rates of poor maternal health outcomes.** Further,
 - The vast majority of pregnancy-related deaths are potentially preventable.
 - Most maternal deaths occur 60 days or more post-partum, a time when many women lose their pregnancy-related Medicaid services.
 - Drug overdoses continue to be the number one cause for maternal death after 60 days postpartum.
 - Black women experience the highest rate of maternal death and severe illness.
 - Factors that contribute to health inequities, including low educational attainment, contribute to poor maternal health outcomes.

Texas' current women's health programs — Healthy Texas Women and the Family Planning Program — provide essential preventive health and basic primary care services to low-income women. **Nevertheless, Texas' own data clearly show that the lack of comprehensive health care coverage costs too many women their lives.**

- Finding physicians who will care for Medicaid patients is a daily struggle across the state, though the situation is far worse in underserved communities. **Most of Texas Medicaid's physician fee-for-service payment rates — which are what most Medicaid managed care organizations pay physicians, too — have not received a meaningful, enduring increase in more than two decades¹.** Physician payments are not indexed to inflation, meaning that each year Texas fails to increase payments, the farther Medicaid payments fall behind commercial payers and Medicare.

Healthy Texans underpin Texas' economic health. To ensure Texas can sustain its economic momentum over the long haul, it must invest in its greatest asset — its people. Our organizations call upon lawmakers to adopt a patient-centered legislative agenda to boldly address Texas' access to health care challenges.

Specifically, we ask you to support efforts to:

- 1) **Improve child health and well-being by funding the Children's Coverage Bill (HB 342 by Rep. Phillip Cortez/HB 829 by Rep. Toni Rose), which will establish 12 months' continuous coverage for children on Medicaid.** Texas already provides continuous coverage to children enrolled in CHIP, a recognized best practice for keeping children insured. Yet, for the lowest income families, the state continues to impose burdensome, monthly income checks in the last half of the year. If a parent misses a deadline, then their child will be dropped from Medicaid even though most children are still eligible. The interruption in care is bad for children's health, interferes with efforts to measure and improve health outcomes, increases state administrative costs, and increases uncompensated care for physicians and providers. **Providing 12 months' coverage to children on Medicaid is the single most important step Texas can take to increase health insurance coverage among children.**
- 2) **Promote better birth outcomes by funding legislation to provide comprehensive health care coverage to low-income women before and after pregnancy, including HB 1110 by Chairwoman Sarah Davis.** Through the Legislature's ongoing bipartisan commitment to improving maternal health, Texas is making strides towards reducing the state's maternal mortality and morbidity rate, including promoting use of inpatient safety-bundles to eliminate preventable deaths at the time of delivery. **Nevertheless, to make dramatic gains in maternal health outcomes, the Legislature must ensure that women have access to preventive, primary, and specialty care before and after pregnancy.** As such, we respectfully recommend:

¹ In 2007, lawmakers allocated funds to increase payment rates for select preventive health services for children, including well-child visits. From 2013-2014, federal funding temporarily boosted select primary care physician payment rates to Medicare parity.

- Pursuing federal authority to implement a tailored health benefits program for eligible uninsured women of childbearing age that provides 12 months’ continuous coverage for preventive, primary, and specialty care coverage, including behavioral health services, to women before **and** after pregnancy.
- Ensuring automatic and seamless enrollment of young women into the Healthy Texas Women program when they lose children’s Medicaid or the Children’s Health Insurance Program (CHIP) as a result of age.

3) Revitalizing the Medicaid and CHIP physician networks by increasing physician Medicaid payments for all primary and specialty care physicians.

Specifically, we ask that the legislature allocate \$500 million (GR) over the biennium towards Medicaid physician payment increases. Our organizations acknowledge that this is a significant request. At the same time, physicians’ – who are key partners in the state’s efforts to constrain Medicaid costs – are at a breaking points. Medicaid payments are the least competitive among all insurers, ranging from 40 to 87 percent of Medicare and 41 to 73 percent of commercial insurance payments.

Our organizations highly value Medicaid. Nevertheless, a Medicaid card does not access make. Current payment rates are hardly enticing, particularly when many practices can barely keep up with demand for their services from better-paying, privately insured patients.

We do not recommend an across-the-board rate increase. Rather, **our organizations advocate that the legislature instruct the Texas Health and Human Services Commission (HHSC) to convene a Medicaid/CHIP Physician-Payment Advisory Committee (PPAC) to advise the agency on how best to distribute the funds.** The PPAC – to be comprised of a physicians from diverse specialties and practice locations — should be directed to identify rate increases that will:

- reward innovative, value-based health care delivery models,
- maximize the state’s efforts to improve Medicaid patient health outcomes and constrain;
- cost growth and address key health care challenges, including initiatives to improve maternal and child health;
- increase the availability of mental health and substance use disorder treatment; and
- strengthen rural, border and underserved physician networks.

We also continue to support efforts to expand the use of incentive-based value-based payment initiatives to improve patient outcomes while constraining Medicaid cost growth.

Just like roads and bridges are fundamental to our transportation system, physicians are integral to Medicaid’s infrastructure. Without them, efforts to reduce costs by improving preventive care, improving management of chronic diseases, or reducing unnecessary emergency department care will fall short. Attracting more physicians to Medicaid will require Texas paying competitive Medicaid and CHIP rates.

Thank you for your consideration.