

By: McClendon

H.C.R. No. 1

CONCURRENT RESOLUTION

1 WHEREAS, The State of Texas has long prioritized efforts to
2 protect and provide for the well-being of its elderly residents;
3 unfortunately, this worthy commitment has been compromised by
4 federal law mandating the creation of a Medicaid estate recovery
5 program; and

6 WHEREAS, An estimated six million elderly in the United
7 States required long-term care in 2000; while most Americans have
8 at least some insurance to cover the costs of medical care, the
9 private insurance available for long-term care generally provides
10 very limited coverage, often only for "post-acute" care that
11 immediately follows hospitalization, and studies indicate that the
12 availability of even this limited private coverage is particularly
13 low in Texas; and

14 WHEREAS, Concurrently, long-term care is expensive, with the
15 average cost of one year in a nursing home at approximately \$40,000
16 and expected to rise to more than \$83,000 by 2010; as a consequence,
17 many of our elderly citizens rely on publicly funded programs like
18 Medicaid to help pay for their care; and

19 WHEREAS, The Congressional Omnibus Budget Reconciliation Act
20 (OBRA) of 1993 required the states to establish a program to recover
21 all or part of the costs of certain nursing facility and long-term
22 care services from the estates of Medicaid beneficiaries; to
23 qualify for Medicaid coverage an individual must meet very strict
24 income and resource eligibility standards; in effect, estate

1 recovery is a "death tax" levied against the families of elderly
2 beneficiaries who exhausted most of their assets to pay for their
3 own care and, ultimately, were forced to rely on Medicaid as a last
4 resort; and

5 WHEREAS, Regrettably, the estate recovery program is not an
6 effective means of managing states' increasing Medicaid costs; a
7 study conducted between 1997 and 1998 by the North Carolina
8 Department of Health and Human Services concluded that the amount
9 collected by reporting states under estate recovery as a percentage
10 of total 1998 Medicaid expenditures ranged from a low of .01 percent
11 to a high of .83 percent; and

12 WHEREAS, Medicaid is a critical safety net for thousands of
13 low to moderate income elderly Texans who, much like the State of
14 Texas, are confronted by the ever-increasing costs of long-term
15 care; rather than pursuing these families for what little remains
16 of their loved ones' assets, Congress should seek more sustainable
17 and less punitive solutions to the nation's long-term care needs;
18 now, therefore, be it

19 RESOLVED, That the 79th Legislature of the State of Texas
20 hereby respectfully urge the United States Congress to eliminate
21 the requirement that states implement as part of their Medicaid
22 state plan an estate recovery program; and, be it further

23 RESOLVED, That the Texas secretary of state forward official
24 copies of this resolution to the president of the United States, to
25 the speaker of the house of representatives and the president of the
26 senate of the United States Congress, and to all the members of the
27 Texas delegation to the congress with the request that this

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1 resolution be officially entered in the Congressional Record as a
2 memorial to the Congress of the United States of America.