

Amend **CSHB 109** on page 1 by adding the following ARTICLE and SECTIONS and renumbering the subsequent ARTICLES and SECTIONS appropriately:

ARTICLE 1. LEGISLATIVE FINDINGS

SECTION 1.01. FINDINGS. The Legislature finds that:

(1) the drastic reductions in funding for the children's health insurance program and the extensive public policy changes made to the program in the regular session of the 78th Legislature have resulted in devastating effects on the health and well-being of Texas children and their families and to the overall fiscal health of this state;

(2) economic research has proven that reductions in state funding for health care services do more harm than good to the Texas economy because each dollar of state revenue that is eliminated from the children's health insurance program results in:

(A) an average loss of \$2.30 in federal health care funding for Texas and an average loss of approximately \$7 in gross state product, \$5 in personal income, and \$2 in retail sales; and

(B) an increase of \$1.60 in insurance premiums for Texans who have private health insurance, plus a \$1.50 increase in those Texans' out-of-pocket health care costs;

(3) as a result of these reductions in health care services made by the 78th Legislature, local taxpayers bear the entire cost of health care for persons who are no longer receiving services under the children's health insurance program, often through vastly more expensive visits to hospital emergency rooms, even though the federal government would have paid about 72 percent of the costs of those services through the program;

(4) children in other states have already received over \$913.4 million in federal funds that were intended to provide health care coverage for Texas children under the children's health insurance program, which includes \$20 million in federal funds scheduled to lapse on March 31, 2007, and this state will lose additional federal funds each year if the state fails to restore state funding and repeal the restrictive eligibility and benefits policies enacted by the 78th Legislature;

(5) restoring benefits under the children's health insurance program and expanding that program to cover more uninsured children will result in healthier future generations of Texans and immeasurable long-term savings for this state;

(6) this state must make its economy stronger and its workforce more productive by improving access to health care through prudent and sound fiscal policies that maximize the availability of federal funds for health care services for uninsured Texans; and

(7) the investment of state resources to maximize receipt of federal funds would:

(A) prevent the redistribution to other states of tax dollars that Texans have paid to the federal government;

(B) alleviate the inefficient cost-shifting of health care services for uninsured Texans to local governments; and

(C) stem the escalation of costs being passed on to Texans who have private health insurance.

SECTION 1.02. PURPOSE. As a result of the findings made by the Legislature as stated in Section 1.01 of this article, the purposes of this Act are to:

(1) reduce the number of uninsured children in Texas by providing reasonable access to health coverage for as many children as possible;

(2) reverse restrictive policy changes made by the 78th Legislature with respect to the program in order to remove barriers to enrollment and eligibility;

(3) insure as many children under the program as possible through this Act, through policies and rules adopted by the Health and Human Services Commission, and through future legislation, thereby ensuring that the state adopt health policies that work to promote, not limit, health coverage for Texas' children.