

BILL ANALYSIS

Senate Research Center
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S.B. 266
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Health & Human Services
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 2003, the Texas Legislature rolled back state health programs in an effort to avoid raising taxes. The Legislature cut funding to Medicaid and CHIP health care programs, which ultimately eliminated the health coverage of more than 180,000 children. Due to a variety of legislative choices, children's Medicaid rolls declined for seven out of 11 months during 2006. This is the only decline of more than two months since May 2000. The number of children covered in December 2006 remained more than 77,000 below the December 2005 caseload, a decline of 4.2 percent.

The experience of Medicaid children cycling on and off the program is a barrier to getting the checkups and preventive care needed to identify medical problems early and treat them before they become more serious and costly. Shortened eligibility saves money by leaving our poorest children uninsured, while shifting many of their costs to local taxpayers or private insurers. Both local taxes and the costs of private insurance are much too high to bear the increased burden of cost-shift due to more uncompensated care, especially when the alternative is to draw a 60 percent federal match.

Twelve-month eligibility significantly increases a child's connection to a provider, or "medical home," where the child's health status is known and the child's records are kept. Parents are more likely to obtain checkups and early preventative services if they know who to call. Moreover, this legislation will reduce the burden on local tax payers by decreasing uncompensated care costs.

As proposed, S.B. 266 provides 12-month, continuous Medicaid eligibility for a child under the age of 19 and requires the child to remain eligible for medical assistance, without additional review by the Health and Human Services Commission or an agency operating as part of the medical assistance program, and regardless of changes in the child's resources or income.

RULEMAKING AUTHORITY

This bill does not expressly grant additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 32.0261, Human Resources Code, as follows:

Sec. 32.0261. CONTINUOUS ELIGIBILITY. Requires rules adopted by the Health and Human Services Commission (HHSC) or an agency operating as part of the medical assistance program, in accordance with 42 U.S.C. Section 1396(e)(12), to provide that a child remains eligible for medical assistance, without additional review by HHSC and regardless of changes in the child's resources or income, until the earlier of the first anniversary of the date eligibility was determined, rather than the end of the six-month period following said eligibility determination, or the child turns 19.

SECTION 2. Authorizes a state agency to delay implementing a provision of this Act until a requested federal waiver or authorization necessary to implement that provision is obtained.

SECTION 3. Effective date: September 1, 2007.