

BILL ANALYSIS

Senate Research Center
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H.B. 290
By: Cortez et al. (Kolkhorst)
Health & Human Services
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Approximately 12.7 percent of Texas children lack health insurance, the highest rate in the country. Children with health coverage are more likely to receive early diagnoses of serious illnesses, attend regular check-ups, and continue therapies for disabilities or developmental delays than their uninsured peers. Lacking coverage, even for a brief period, may increase families' health care costs.

Under federal law, states may provide children with 12 months of continuous health coverage through Medicaid, even if the family experiences a change in income during the year. Texas law, however, permits only six months of continuous eligibility within a 12-month certification period. What's more, the Health and Human Services Commission (HHSC) conducts monthly eligibility reviews during the second half of the certification period. Not only are these monthly reviews an unnecessary administrative burden on HHSC, but they also result in approximately 65,000 eligible children being dropped every year from Medicaid rolls simply due to their families' inability to navigate this bureaucratic maze.

H.B. 290 would implement two consecutive six months continuous eligibility periods, with one eligibility check after the first six months, for a child under the age of 19 enrolled in Medicaid. This change would enhance the stability of medical coverage and improve health outcomes for Texas children and reduce workload and administrative costs for the state.

H.B. 290 amends current law relating to the period of continuous eligibility and a periodic eligibility review for a child for Medicaid.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the executive commissioner of the Health and Human Services Commission is modified in SECTION 1 (Section 32.0261, Human Resources Code) of this bill.

Rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission in SECTION 1 (Section 32.0261, Human Resources Code) of this bill.

SECTION BY SECTION ANALYSIS

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

Sec. 32.0261. CONTINUOUS ELIGIBILITY. (a) Provides that this section applies only to a child younger than 19 years of age who is determined eligible for medical assistance under Chapter 32 (Medical Assistance Program).

(b) Creates this subsection from existing text. Requires the executive commissioner of the Health and Human Services Commission (executive commissioner) to adopt rules in accordance with 42 U.S.C. Section 1396a(e)(12), as amended, to provide for two consecutive periods of continuous eligibility for a child between each certification and recertification of the child's eligibility, subject to Subsections (e) and (g), rather than to provide for a period of

continuous eligibility for a child under 19 years of age who is determined to be eligible for medical assistance under this chapter.

(c) Creates this subsection from existing text. Provides that a child remains eligible for medical assistance during the first of the two consecutive periods of continuous eligibility, without additional review by the Health and Human Services Commission (HHSC) and regardless of changes in the child's household income, until the end of the six-month period following the date on which the child's eligibility was determined, except as provided by Subsections (e)(1) and (g).

Deletes existing text requiring that the rules provide that the 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 end of the six-month period following the date on which the child's eligibility was determined or the child's 19th birthday. Makes nonsubstantive changes.

(d) Requires HHSC, during the sixth month following the date on which a child's eligibility for medical assistance is certified or recertified, in a manner that complies with federal law, including verification plan requirements under 42 C.F.R. Section 435.945(j), to review the child's household income using electronic income data available to HHSC. Provides that, based on the review:

(1) HHSC is required, if the review indicates that the child's household income does not exceed the maximum income for eligibility for the medical assistance program, to provide for a second consecutive period of continuous eligibility for the child until the child's required annual recertification, except as provided by Subsection (g); or

(2) HHSC is authorized, if the review indicates that the child's household income exceeds the maximum income for eligibility for the medical assistance program, to request additional documentation to verify the child's household income in a manner that complies with federal law.

(e) Requires HHSC, if, after reviewing a child's household income under Subsection (d), HHSC determines that the household income exceeds the maximum income for eligibility for the medical assistance program, to continue to provide medical assistance to the child until:

(1) HHSC provides the child's parent or guardian with a period of not less than 30 days to provide documentation demonstrating that the child's household income does not exceed the maximum income for eligibility; and

(2) the child's parent or guardian fails to provide the documentation during the period described by Subdivision (1).

(f) Requires HHSC, if a child's parent or guardian provides to HHSC within the period described by Subsection (e) documentation demonstrating that the child's household income does not exceed the maximum income for eligibility for the medical assistance program, to provide for a second consecutive period of continuous eligibility for the child until the child's required annual recertification, except as provided by Subsection (g).

(g) Provides that, notwithstanding any other period prescribed by this section, a child's period of continuous eligibility for medical assistance ends on the child's 19th birthday.

(h) Prohibits HHSC from recertifying a child's eligibility for medical assistance more frequently than every 12 months as required by federal law.

(i) Requires HHSC, if a child's parent or guardian fails to provide to the commission within the period described by Subsection (e) documentation demonstrating that the child's household income does not exceed the maximum income for eligibility for the medical assistance program, to provide the child's parent or guardian with written notice of termination following that period. Requires that the notice include a statement that the child may be eligible for enrollment in the child health plan under Chapter 62 (Child Health Plan for Certain Low-Income Children), Health and Safety Code.

(j) Requires HHSC, in developing the notice, to consult with health care providers, children's health care advocates, family members of children enrolled in the medical assistance program, and other stakeholders to determine the most user-friendly method to provide the notice to a child's parent or guardian.

(k) Authorizes the executive commissioner to adopt rules as necessary to implement this section.

SECTION 2. Requires a state agency, if necessary for implementation of a provision of this Act, to request a waiver or authorization from a federal agency, and authorizes a delay of implementation until such a waiver or authorization is granted.

SECTION 3. Effective date: September 1, 2021.