

# Insure Texas Kids Campaign / Texas CHIP Coalition

## 80<sup>th</sup> Legislative Session Wrap Up

Due to the hard work and commitment of hundreds of children's advocates, physicians and other health care providers, businesses and faith leaders, the 80<sup>th</sup> Texas Legislature made significant progress in restoring the Children's Health Insurance Program, addressing problems with enrollment in CHIP and Medicaid, and other important gains in access to care for Texas children.

### House Bill 109

HB 109 by Representative Sylvester Turner (D-Houston) and Senator Kip Averitt (R-Waco) will **restore an estimated 127,000 Texas children to the CHIP rolls** through the following measures:

- **Restores outreach through community-based organizations** and requires that outreach be conducted in English and Spanish. Also requires that outreach be conducted through school based health clinics.
- **Deducts child care expenses when calculating income.**
- **Doubles the asset test limit from \$5,000 to \$10,000.** The first vehicle allowance has been increased from \$15,000 to \$18,000. The second vehicle allowance has been increased from \$4,650 to \$7,500.
- **12 months eligibility.** Families will fill out one paper application a year. Children above 185% of the federal poverty line (\$38,203 a year for a family of four) would have their income (not assets) reviewed after six months by the Texas Health and Human Services Commission (HHSC). The state would use third-party computer databases to see if the family's income exceeded the CHIP limit of 200% of the federal poverty line (\$41,300 a year for a family of four in 2007). If HHSC determines that the family has exceeded the CHIP limit, they must contact the family and give them an opportunity to correct information if necessary. HHSC must also notify parents at least 30 days prior to the end of coverage. **The income checks will be phased in over time, and will be fully implemented by September, 2008.**
- **Waives the 90 day waiting period for uninsured children.** Only children who drop private health insurance (and do not qualify for an exception) will have to wait 90 days to enter the CHIP program. This restores the waiting period to the original 1999 Texas CHIP law.

These provisions, except for the six month electronic check for families earning more than 185% of the federal poverty line, are expected to go into effect on September 1, 2007.

### Eligibility System, Access to Care, and Safety Net Improvements

- Article IX of the budget includes riders by Reps. Garnet Coleman and Elliott Naishtat to **improve the CHIP and children's Medicaid eligibility process** and eliminate barriers, delays and wrongful denials. Other budget riders ensure HHSC can add eligibility workers as needed to replace contracted workers and meet all federal performance standards.
- HB 3575 by Patrick Rose creates a **Legislative Oversight committee for the HHSC eligibility system** and sets goals to improve customer service, reduce processing time, and meet federal standards.
- **Provider fees will be increased for CHIP and Medicaid.** As a result of the *Frew* lawsuit, children's Medicaid reimbursement will increase substantially to improve access to medical and dental care.
- Additional funding is provided **to reduce waiting lists for community mental health services for children and adolescents** and to improve community mental health crisis services statewide.
- **Former Foster Care youth in higher education programs may retain Medicaid to age 23** (up from age 21).

For more information, contact Barbara Best, Children's Defense Fund, 713.664.4080, [bbest@childrensdefense.org](mailto:bbest@childrensdefense.org); or Anne Dunkelberg, Center for Public Policy Priorities, 512 320 0222 (X102), [dunkelberg@cphp.org](mailto:dunkelberg@cphp.org).