

**FOOD FOR
THOUGHT**

TAHP
The Texas Association of Health Plans

Health Coverage 101 & Our Session Priorities

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The Texas Association of Health Plans

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TAHP's Session Priorities

TAHP Priorities for the 89th Legislative Session



Stop Costly Mandates on Employers & Families

Overregulation and excessive mandates are driving up health care costs and limiting affordable coverage options.



- **Mandate Moratorium:** Avoid new mandates and overregulation that raises the cost of coverage and forces employers and families to pay higher prices. Texas has passed a dizzying array of health insurance mandates—23 in the past two sessions alone. Texas employers need relief from these excessive mandates.
- **Mandate Transparency:** Before passing any new mandates on the health coverage of employers and families, estimate the cost and impact through a mandate fiscal note.
- **Protect Employer Coverage:** Protect ERISA flexibility and oppose legislative attempts to add costly mandates on self-funded employers. Major employers across all industries oppose these costly mandates.

Unleash Innovation and Flexibility to Lower Health Care Costs for Texans

Employers and families are demanding innovation and flexibility to access coverage for the health benefits that meet their unique needs and help them control costs. However, outdated Texas laws and regulations stand in the way.



- **Incentivize Patients to Shop for Low Cost, High Quality Care:** Modernize outdated regulations to allow innovative health plans to incentivize patients to shop for high value care with lower out of pocket costs.
- **Remove Restrictions on Innovative Payment Models to Lower Costs:** Innovative models like direct primary care incentivize quality over quantity with paying providers based on comprehensive value-based care.
- **Expand Affordable Coverage Alternatives:** Allow more mandate lite, affordable insurance coverage options that meet employer and family needs without overregulation.

Protect Patients and Fight Back Against Out-of-Control Health Care Prices

Texas has been a national leader in protecting patients from surprise billing and requiring price transparency. However, Texas also leads in price gouging and anti-competitive practices from heavily consolidated health care providers.



- **Stop Inappropriate Facility Fees & Ensure Transparency:** Facility fees have rapidly become the new surprise bills in health care popping up in clinics and even for telehealth. Texas should put a stop to abusive fees and require transparency to protect patients.
- **Build on Price Transparency:** Texans still like a complete price picture with transparency from all health care providers. Patients need a guaranteed upfront estimate in order to make the most informed care decisions.
- **Root out Anticompetitive Consolidation:** Highly consolidated hospital systems and private equity driven monopolies are raising prices behind the scenes in health care. Market share should be transparent and shouldn't be used to harm patients with anticompetitive practices.

Protect & Build on the Success of Texas Medicaid Managed Care

Texas has long been a leader in creating a Medicaid managed care model that delivers high quality care, saving more than \$13 Billion for taxpayers. Lawmakers should protect Texas market-based Medicaid managed care, reject proposals that disrupt patient care and add costs, and look for opportunities to efficiently offer benefits that Texas families need.



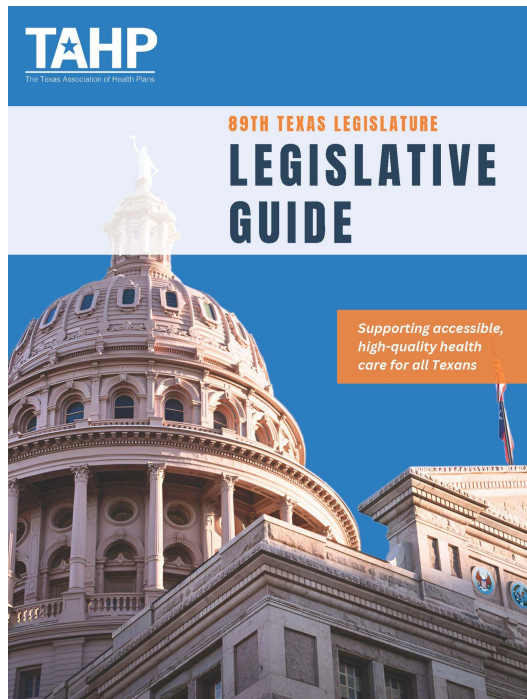
- **Ensure Comprehensive Medicaid Mental Health Coverage:** Millions of Texans, especially children, lack the mental health coverage they need, increasing risks of foster care placement, crises, and hospitalizations, while raising state costs.
- **Protect Managed Care Innovation:** Oppose any attempts to undermine managed care flexibility, suppress innovation, or endanger stability and efficiency in the Medicaid managed care program.
- **Transition all Remaining Services to Managed Care:** While Medicaid managed care already covers 97% of Texans on Medicaid, there are still some services administered through the more expensive fee-for-service program.
- **Reject a Full Carve Out of Medicaid Drug Benefits or a Single Statewide PBM for Medicaid:** These proposals are proven to disrupt care coordination, threaten patient access to medications, and significantly increase taxpayer costs.

Our focus areas:

- Stop costly mandates
- Support innovation and flexibility
- Push back against increasing health care prices
- Protect and build on Medicaid managed care



TAHP's Session Guide – Officially out!



TAHP

Remove and Avoid Barriers to Innovation
in Health Coverage

Market Driven Solutions Can Lower Health Care Spending, but Overregulation Stands in the Way

Employers are increasingly focusing on innovation in health benefit plan designs to address rising health care costs. Employers are adopting programs that reward high value care and actively engage patients. However, Texas laws written over decades have not kept pace with private market innovation. Regulations routinely block innovation and are out of step with the latest needs of employers. While self-funded (ERISA) employer plans aren't subject to onerous state restrictions, employers buying coverage in the fully-insured market only have options that are based off of antiquated regulations. Texas should both proactively undo overregulation, expand allowances for innovative benefit designs, and avoid further unnecessary government mandates that run counter to employer and patient needs for high quality, affordable coverage.

“ Medical
innovation keeps
us alive, healthy,
and stronger
than those who
came before us.”

Texas Medical Center, 2021

Solutions

- ▲ Allow health plans to create market-driven, innovative incentives to reward patients who shop for the best value care.

Federal rules encourage health plan arrangements that incentivize patients to shop for low-cost, high-value providers but Texas prohibits these benefit designs. Insurers can't use innovative solutions like lower out-of-pocket costs to reward patients for being smart shoppers. Insurers can't even easily share nationally-recognized quality of care information with patients. Meanwhile, large, self-funded employers are increasingly taking advantage of these types of benefit designs to manage health care spending.

Texas should open up the door to private market innovations that can motivate patients to be savvy health care shoppers with customized savings and rewards programs that best meet the needs of families and employers. Government mandates don't lead to innovation and can't keep pace with consumer behavior. Lawmakers should avoid mandates that prescribe right-to-shop programs with one-size-fits all incentive designs. Instead, focus on removing barriers that hinder innovative attempts to motivate patients to high-value care.

TEXAS ASSOCIATION OF HEALTH PLANS | PAGE 12

Featuring topics like:

- Removing barriers to innovation in health coverage
- Strengthening Medicaid managed care
- Protecting Texans from surprise billing
- ...and more!



Why Texans Need & Want Health Coverage

High Cost of Care Without Insurance: Without insurance, medical costs can escalate into significant financial burdens, leading to debt or bankruptcy.

- **NICU Admissions:** \$77,132.90 median cost
- **Breast Cancer Treatment:** From \$82,121 for stage 1 to \$134,680 for stage 4
- **Heart Bypass Surgery:** Up to \$200,000
- **Hospital Stays:** Average 3-day stay costs \$30,000
- **Median New Drug Price 2023:** \$300,000 up 35% from 2022 (2008 was \$2,000)

Texans Want Coverage: TX 2036 Uninsured Poll, **just 11% of Texas uninsured** cite a personal choice, showing overwhelming demand for coverage among uninsured.

Texans Buy Coverage When It's Affordable: Since 2021, the number of Texans buying coverage **has tripled**, from 1.3 million to 4 million, alongside monthly premiums falling from \$120 per month to \$50 per month (after tax credits).

Why Texans Need & Want Health Coverage

Research shows that health insurance coverage leads to better health outcomes and access to care:

- Uninsured are far more likely than those with insurance to postpone health care or forgo it altogether.
- People without health insurance are more likely to skip preventive services and report that they do not have a regular source of health care.
- Uninsured patients have an increased risk of being diagnosed at later stages of diseases and have higher mortality rates.

Texans with a health plan get the preventive care they need vs. the uninsured:

- **20% more likely** to get early detection screenings for colon cancer.
- **2x as likely** to control their blood pressure as those without health insurance.
- **2.5x more likely** to get a mammogram.
- **3x more likely** to receive treatment for high cholesterol.

What is insurance?

Fully-Insured Coverage: Health insurance from a licensed insurer that assumes financial risk in exchange for a fixed monthly premium.

- Employers, families, or individuals pay a set premium annually split into monthly payments.
- The insurer manages the risk and covers medical expenses.

Regulation:

- **Governed by state insurance laws and federal regulations from CMS, HIPAA, and ACA**
- **Applicable to individual market plans, Medicaid managed care, Medicare Advantage, and some employer coverage**

What is Self-Funded or ERISA Coverage?

The employer (plan sponsor) bears full or partial financial risk for employee health benefits, paying claims as they arise, instead of an insurer.

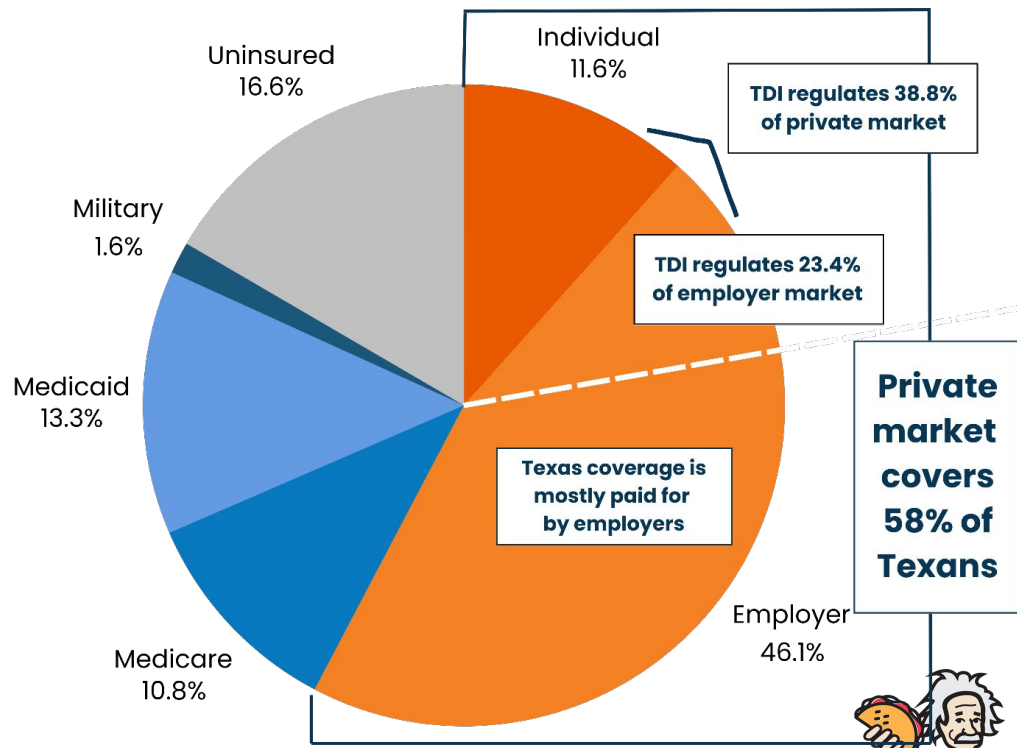
- Usually managed through a licensed 3rd party administrator (TPA) or insurer and sometimes includes stop-loss coverage for catastrophic loss protection (level funding)
- These popular alternatives to “insurance” allow more flexibility and innovation for employers to manage health care spending and employee incentives.

Regulation:

- **Governed by federal law under ERISA**
- **The ERISA “deemer clause” prohibits states from regulating plans that are self-funded (they are not “the business of insurance”)**
- **Oversight primarily by the U.S. Department of Labor’s EBSA, with some roles for CMS and IRS**

Health Coverage Snapshot

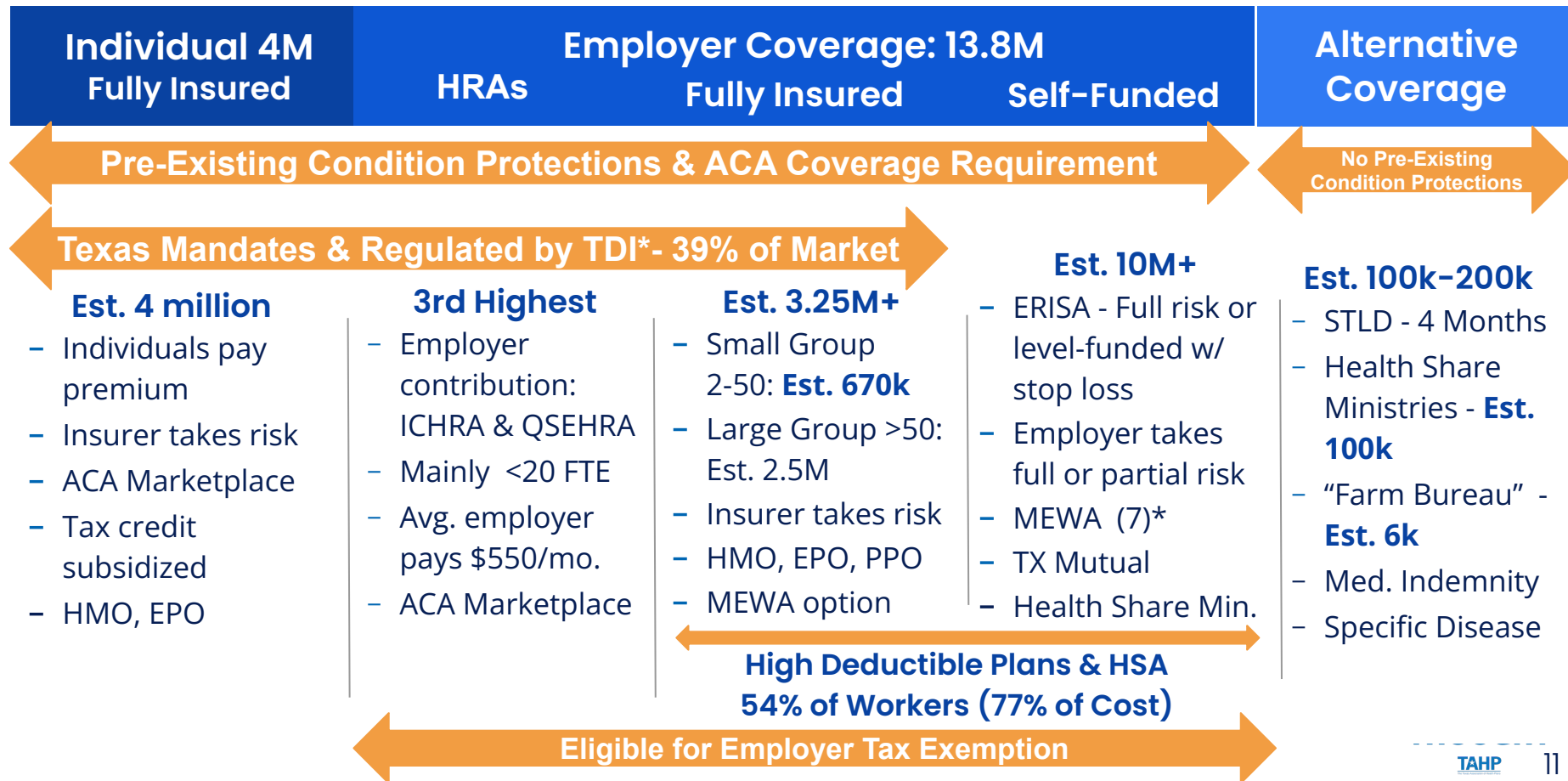
- **80%** of private market coverage is employer-based
- **84%** of Texas workers have an employer that provides coverage
- **77%** of employer plans are self-funded (not regulated by TDI)
- **Individual market** coverage is increasingly popular as subsidies improve affordability
- **Uninsured Texans** cite employment as the top reason for not having health coverage
- **70%** of the uninsured are employed but less likely to have consistent, full-time jobs



Private Health Insurance



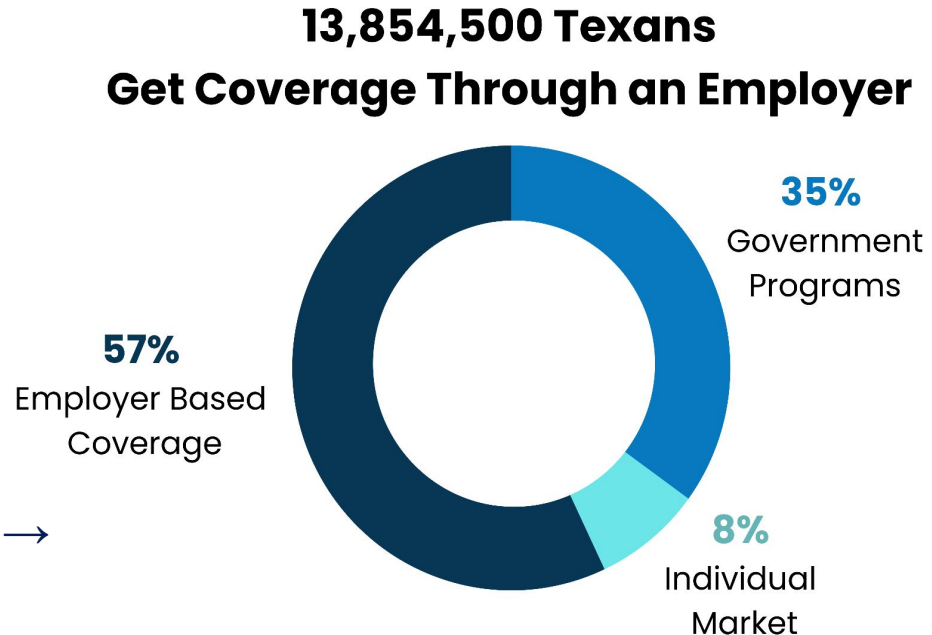
Types of Private Coverage In Texas



Employers: The Leading Source of Health Coverage

- Texas businesses make up the the foundation of health coverage in Texas with the most efficient path to benefits for families.
- Employers rely on health benefits to attract the best workers, so they cover the bulk of monthly premiums for the most extensive and comprehensive coverage around.
- 89% of all American workers have access to job-based health benefits.
- 50% of children in the US get health coverage through a parent's job.

**Majority of Texans
are Covered at Work →**



Employer-Provided Coverage: 13.8 Million Texans



98% of large employers offer coverage in Texas.



Texas employers cover nearly half of all Texans and 85% of employees say health insurance is a “must-have”.



71% of employers said offering health insurance is extremely important for hiring and retaining workers.



Employers cite a 47% return on investment for offering health coverage.



Only 27% of small employers offer coverage in Texas.



87% of Texas employers say health care costs are rising at an unsustainable rate and employees have steadily lost 5% in wages due to these costs.



78% of Texas employers rank health care costs as one of the top issues affecting their business.

Small business owners in Texas rank the cost of health insurance as their single biggest problem every year since 1986.



Texas Has A Strong Individual Health Insurance Market

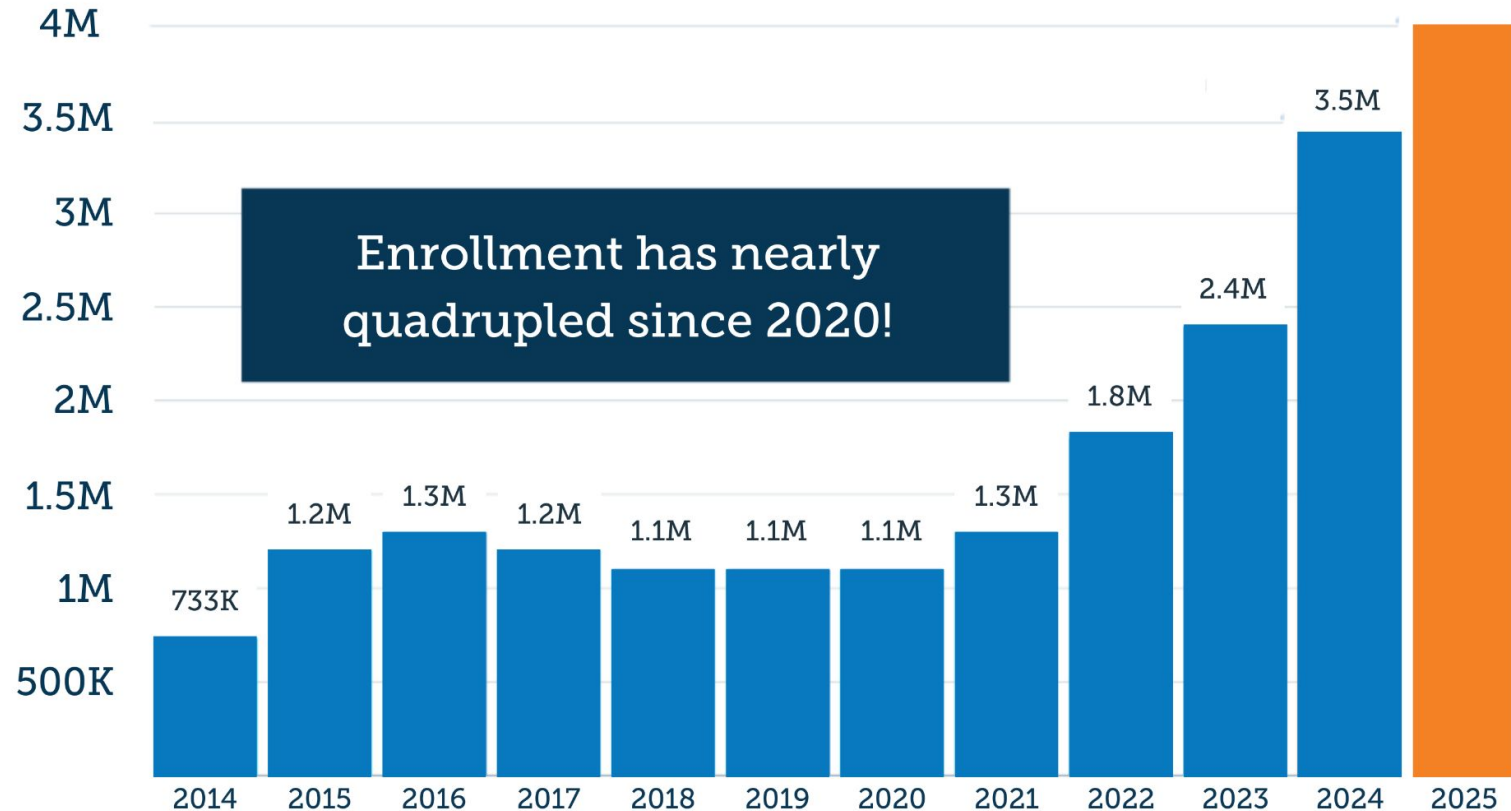
The individual market provides affordable, high-quality health care for Texans who buy coverage on their own.

When affordability improves, coverage expands.

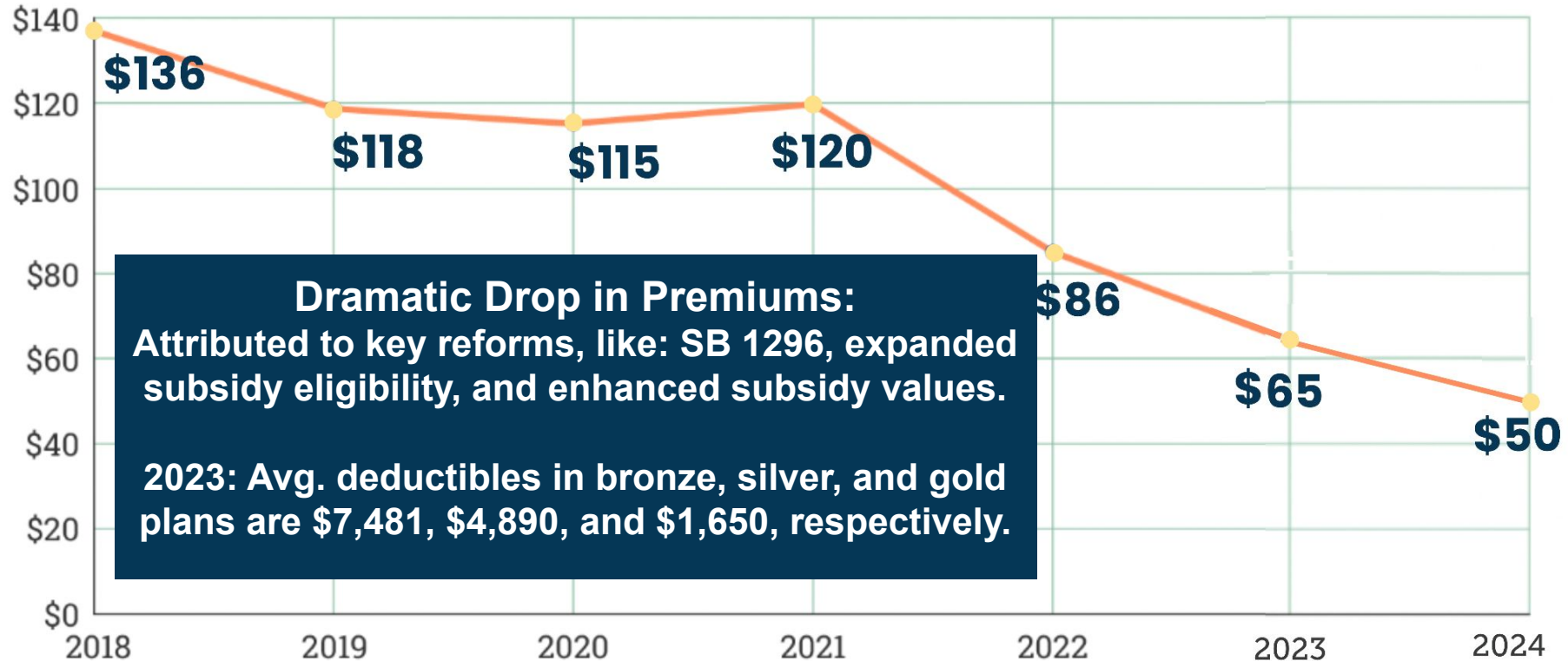
- **Since 2021, the number of Texans buying coverage has tripled**, from 1.3 million to 4 million, following a 58% reduction in the cost of monthly premiums—from \$120 per month to **\$50 per month** (after tax credits).
- **Competition among health plans continues to increase in Texas.** The number of plans serving Texas in the Marketplace, more than any other state: **15 for 2025**
- In 2025, **more than 90%** of Texans had a choice of **3 or more health plans**
- Roughly 96% of Texans receive tax credits in the individual market.
- **Cost sharing reductions (CSR)** further help 49% of Texans with marketplace coverage lower their out-of-pocket costs (in addition to premium tax credits). CSRs are available between 100% and 250% of the poverty level.
- **Average broker compensation** for ACA enrollment is now \$400 per year – \$25 per month (up from \$120 a year in 2018).

2024 Texas Individual Marketplace Record Setting #'s

3,966,266



Avg. Individual Monthly Premium After Subsidies (Silver)

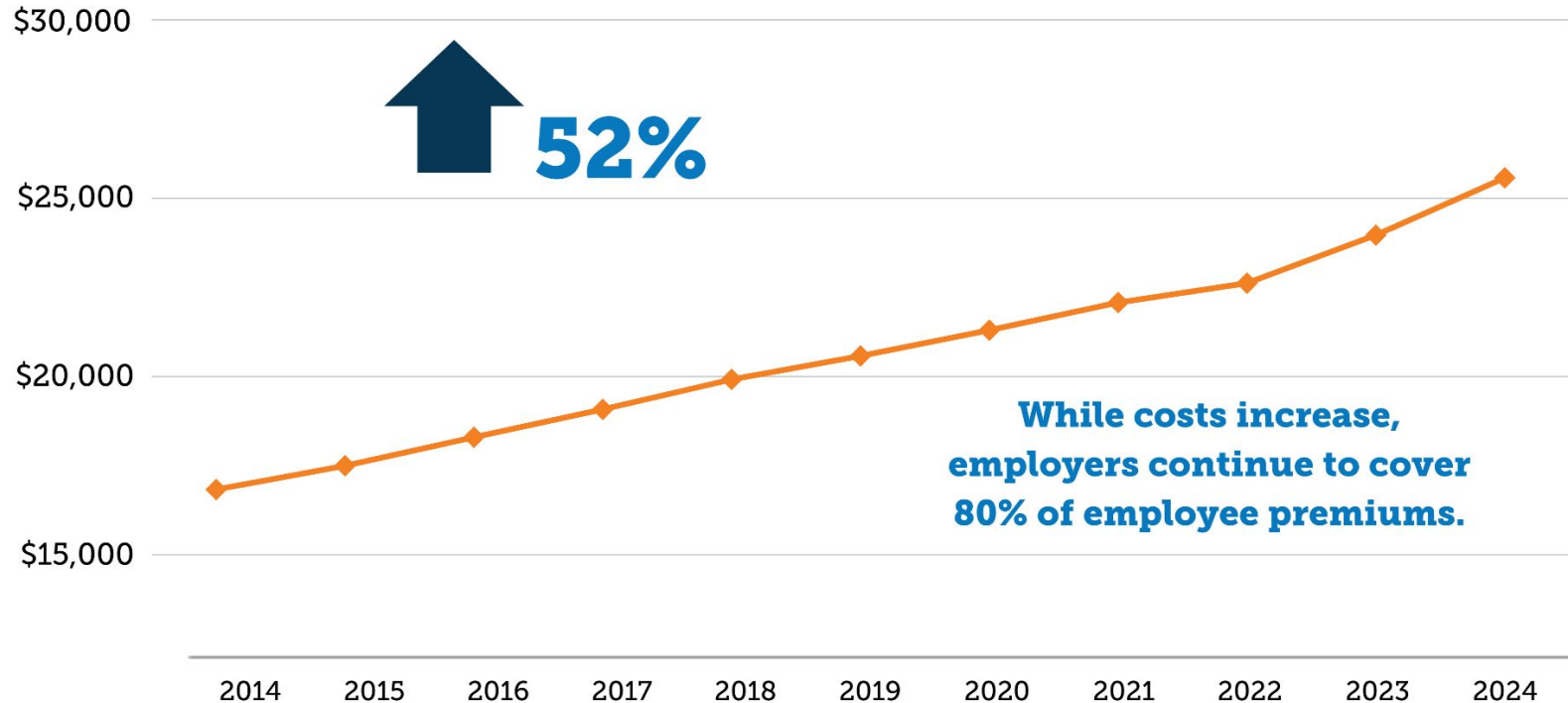


Health Care Price Inflation is the Number One Driver of Insurance Premiums

87% Price inflation accounts for 87% of health insurance premium increases (not utilization). *Source: [Health Care Cost Institute. 2022 Health Care Cost & Utilization Report. Published April 2024](#)*

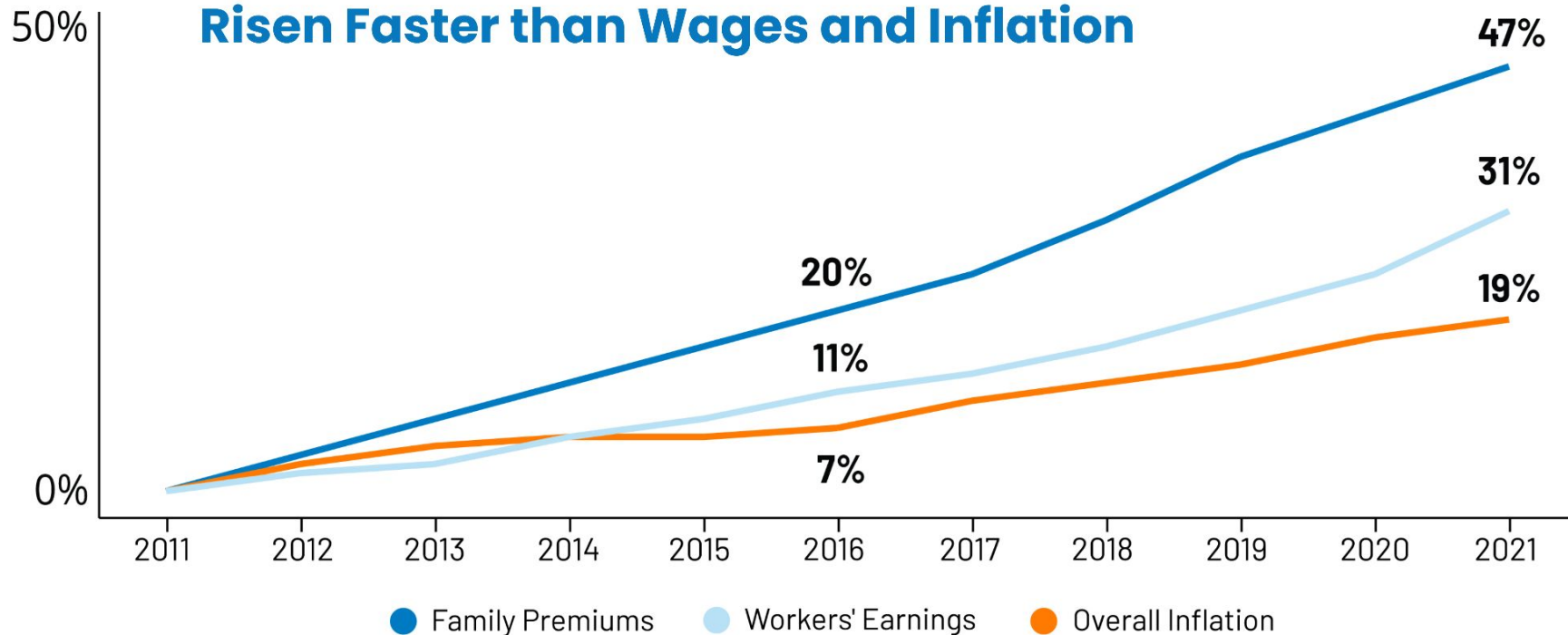
- **Hospitals that do not have any competitors** within a 15-mile radius have prices that are 12% higher than hospitals in markets with four or more competitors.
- **Hospital Mergers:** Between 2002 and 2020, 20% of hospital mergers lessened competition significantly, leading to price increases. (American Econ. Review, 2024)
- **Insurer competition lowers premiums** but is “not sufficient to offset the effects of increased hospital concentration on premium costs.” (Health Affairs, 2019)
- **Hospital Vertical Integration:** In highly concentrated markets or monopolies, vertical integration increased individual market premiums 12%. (Health Affairs, 2018)
- **FTC Oversight Limitations:** Mergers not flagged by the FTC due to budget constraints led to at least 5% price increases. (Yale, 2024)
- **Workers Compensation:** Hospital consolidation resulted in an 11.4% increase in workers compensation costs. (Workers Comp. Research Inst., 2023)

Family Premiums Up Over 50% Over the Past Decade, Employers Bear the Burden



Health Care Costs are the Biggest Threat to Coverage

**Over Time, Family Premiums Have
Risen Faster than Wages and Inflation**



Problems in the Insurance Market

- #1 The Texas small group market has unique challenges** with few competitors, less flexibility, & higher family premiums & cost sharing. The result is small employers are dropping coverage or moving away from fully insured group coverage.
- #2 Employers want more flexibility not allowed by state mandates and regulations.** State mandates restrict insurance innovation with limits on shopping incentives and transparency tools plus prohibitions on value-based payment models—like direct and advanced primary care that focus on patient outcomes.
 - Texas employers are shifting to self-funded coverage alternatives to avoid state regulation. 73% of Texas employers want the Legislature to give them more flexibility to contain costs and offer innovative benefits.
- #3 Low income working Texans** with incomes too high to qualify for Medicaid & too low to qualify for subsidized individual coverage face challenges. Additionally, a substantial number of Texans are eligible for programs but unenrolled.
- #4 Prices are at the root of the problem:** Increasing hospital, physician and drug prices account for 77% of increased spending, driven by private equity and hospital consolidated hospital systems. Note – health insurer profits & admin are capped.



Problems in the Market

#5 Mandates & Over Regulation Concerns: Texas ranks 3rd for regulations above the ACA. Mandates passed each session add costs for businesses and families.

- **88th Session:** Over 110 mandates filed, 77 heard, and 16 became law.
- **87th Session:** Almost 100 mandate bills filed, and 7 became law.
- **Mandates include** benefit coverage requirements, restrictions on plan design, limitations on addressing fraud-waste-and abuse, and regulations that block competition for lower cost health care.
- **Lawmakers often avoid adding costs to state funded plans at ERS & TRS but mandates are routinely added to family and employer coverage.**

#6 Fraud, Waste, and Abuse: Estimates show that up to 10% of total U.S. health care spending is lost to fraud, waste, and abuse each year, leading to higher health care premiums for employers and families.



Addressing Mandates & Overregulation

Benefit, contract, and regulatory mandates reduce flexibility, stifle innovation and raise costs on Texas employers and families.

- #1 Private Market Mandate costs should be transparent:** A majority of states estimate the cost of mandates before hearing and passing bills so lawmakers know the actual impact on businesses and families.
- #2 Texas needs a moratorium on mandates** until a process is in place to produce an actual mandate fiscal note on private market coverage impact.
- #3 Build a mandate-lite coverage option:** Businesses want alternative coverage choices that allow them to select the plan designs and benefits that adapt to their needs, avoid over regulation, and are priced at a cost they can afford.
- #4 Protect ERISA flexibility:** Oppose legislative attempts to impose costly mandates on self-funded (ERISA) alternatives for employers, maintaining affordable coverage options. ERISA mandates are routinely struck down by courts except when they amount to rate setting arrangements that add costs.

Give Employers More Flexibility & Options

Texas laws prevent health plans and employers from rewarding patients who shop for high-value, low-cost care.

- #1 Value-Based Care:** Health care is shifting to advanced & direct primary care where one clinic handles all primary & urgent care for a monthly fee. Texas law prohibits this type of innovative design for most health plans. Texas should allow insurers to enter into capitated value-based care arrangements with providers.
- #2 Maximize Price Transparency by Allowing Innovative Price Shopping:** Allow insurers to offer lower out-of-pocket costs to patients who shop for better health care deals and remove outdated laws blocking transparency of provider costs and quality. These patient incentives have been proven to lower health spending for families and employers. Allow health plans to create innovative new options that reward families for seeking the best values in care.

Addressing High Prices

Price increases alone account for 87% of increased health care spending as consolidated health systems and private equity take over more of health care.

- #1 Expand price transparency:** Consumers still lack a complete picture to window-shop for health services. Expand efforts from recent sessions to include all provider types, all shoppable services, and an upfront good faith estimate.
- #2 Fully fund the APCD:** Texas collects comprehensive health care claims data at the All Payor Claims Database (APCD). However, lack of funding has left the APCD unable to put that data to work in lowering health care spending.
- #3 Expand itemized billing** protections prior to medical debt collection to ensure patients get a chance to review a detailed bill before any provider potentially falsely puts a patient's creditworthiness at risk.
- #4 Eliminate All Anti-Competitive Contracting:** When health systems take over health care markets they can demand all-or-nothing contract terms that inflate prices and choke out competition.
- #5 Establish facility fee billing transparency** to ensure medical bills match the true location of health care services & protect patients from dishonest billing.
- #6 Protect patients from inappropriate & excessive surprise facility fees** such as for telehealth & primary care.

Addressing Fraud, Waste, and Abuse

The state has focused on combating fraud, waste, and abuse in Medicaid but hasn't placed the same focus on the commercial market.

#1 Expand fraud, waste, and abuse protections at TDI: Apply the same standards and penalties for fraud, waste, and abuse in the Medicaid program to the commercial market, and support TDI's investigations with funding and incentives.

#2 Avoid passing legislation that makes it harder to recover for fraudulent billing or overpayments, including limits on using data analysis tools to identify fraud, barriers to recovering overpayments, and restrictions on investigations. These measures reduce accountability for bad actors and shifts financial burden onto Texas employers and families. .





Medicaid and the Uninsured

History of Texas Medicaid

1964 – Over 50 years ago, U.S. created the Medicaid Program – Partnership between the federal and state governments

- Federal Government: Sets Guidelines (60/40 match)
- State Governments: Operate the program
- Medicaid is an entitlement program – open ended
- Texas largely covers only federally mandatory populations

1967 – Texas adopted Medicaid – the Texas Medical Assistance Program

1993 – Texas began shifting to a health insurance model – Managed Care

1999 – CHIP implemented in Texas

2011 – Texas expanded Medicaid managed care statewide and carved in most populations and services through an 1115 waiver

Today 97% of Medicaid clients are in Medicaid managed care

2022 Total Medicaid Spending: \$57.8 billion

2022 Total MCO Spending: \$37.5 billion – 65% of Medicaid spending

Texas Uses Health Insurance Model for Medicaid

- **Managed care works just like insurance—every month, HHSC pays a health care premium to the MCO for each person** they cover (called the PMPM, per member per month) and in return the MCOs accept all financial risk
- **HHSC actuaries set the premium** every year based on historical claims and the **rates are certified by an independent actuary** and certified a third time by CMS
- **MCOs are obligated to pay for all medically necessary services** for their members, even if it means the rates they receive from HHSC will not fully cover their costs
- **MCOs take on full financial risk**—if in any given year a plan incurs losses, that plan absorbs those losses—**Gives State budget certainty**
- **Texas caps profits and requires health plans to share savings** back to the state (called the experience rebate)
- **Texas also caps administrative spending** resulting in Texas having some of the lowest administrative costs in the country

Who is Eligible for Medicaid?

Medicaid Provides Affordable, Quality Health Insurance for 4 Million Texans

Pregnant Women



Children



Older Texans



Texans with Disabilities



Texas Medicaid – 4 Million Texans

- Medicaid managed care is safety net health insurance that protects Texans who need it most, including children, mothers, grandparents, and Texans with disabilities.
- Texas partners with private health insurers to cover **4 million Texans**, roughly 14% of the state's population. **97% of Medicaid in Texas is managed care.**

14%

of all Texans

29%

Depend on long-term care

53%

of all Texas births

50K

Veterans

51%

of all Texas children

26K

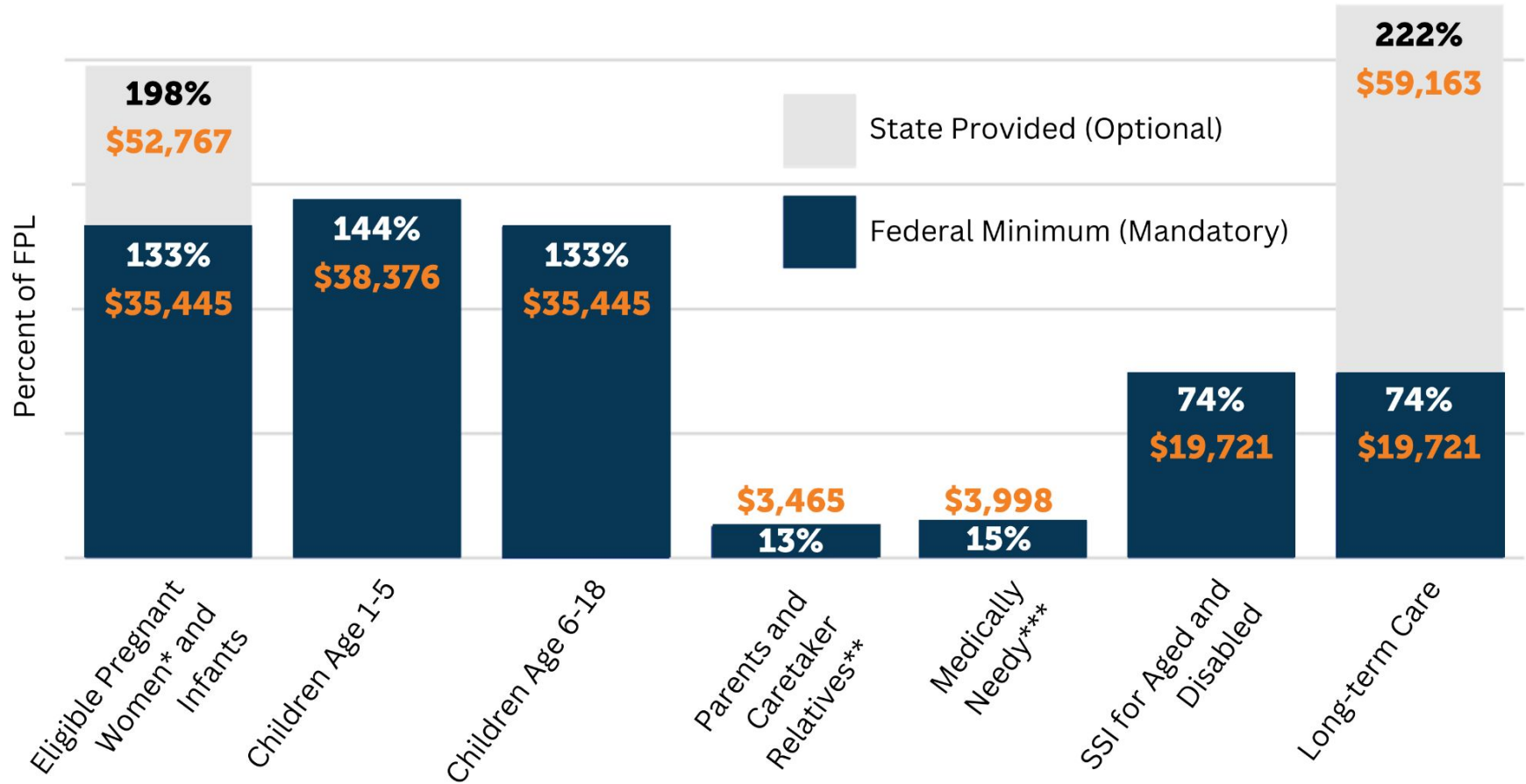
Texas children in foster care

56%

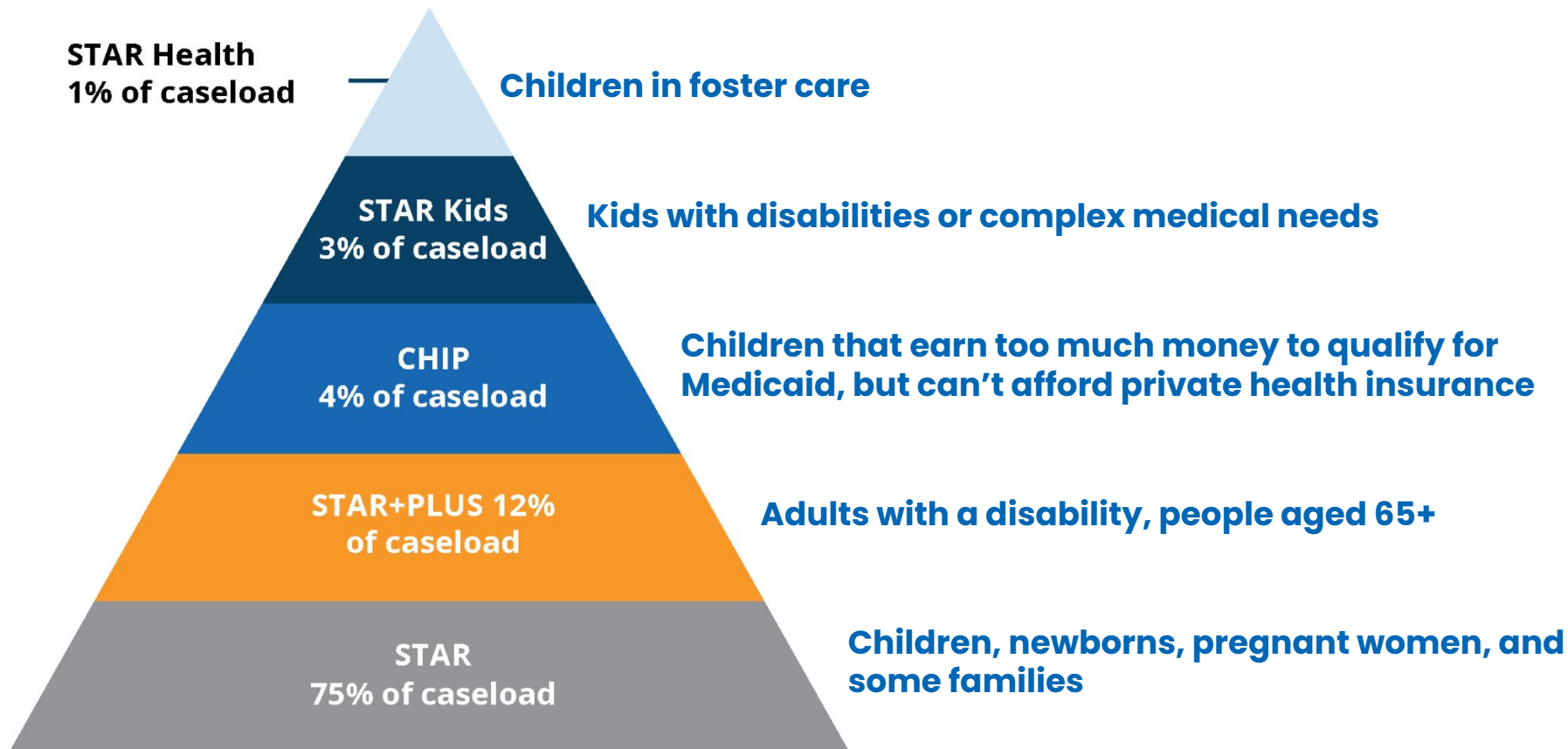
of nursing home residents



Texas Medicaid Eligibility



Managed Care Coverage in Texas



What Does Medicaid Managed Care Cover?

Acute Care Services	Preventative care, diagnostics and medical treatments Ex: Physician, inpatient and outpatient hospital services, laboratory, x-ray services
Long-Term Services and Supports	Support with ongoing, daily activities for individuals with disabilities and older adults Ex: Community-based care, personal assistance with activities of daily living (cleaning, cooking), nursing facility services
Behavioral Health Services	Screening and treatment for mental health conditions and substance use disorders (SUD) Ex: Mental health rehabilitation, medication assisted therapy for SUD, psychological and neuropsychological testing
Medical Transport Services	Non-emergency medical transportation (NEMT) Ex: Rides to a doctor's office or pharmacy and money for gas to drive to an appointment
Pharmacy Services	Coverage for prescription drugs

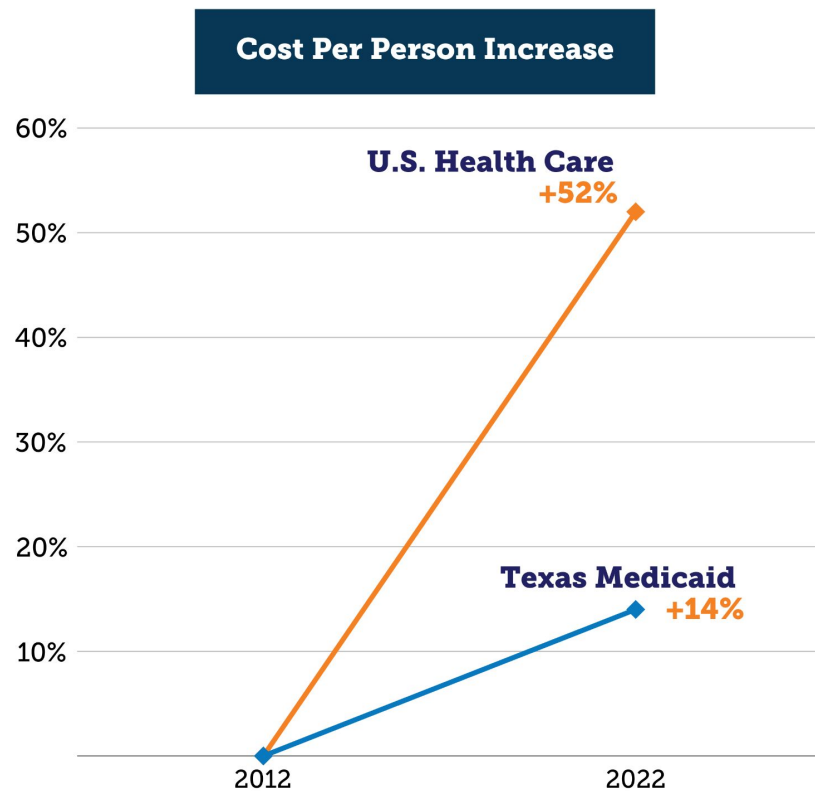
Texas Medicaid: Beyond Traditional Care

- **Personal Care Coordination:** Direct assistance navigating the complex healthcare system for a healthier, independent life.
- **Beyond the Walls of Doctors Office:** Unique access to transportation, housing, meals, and support for daily challenges, enhancing member well-being.
- **Tailored Support for Complex Needs:** Health plan nurses (service coordinators) provide dedicated coordination for members with complex medical and behavioral health challenges, offering crucial support within an overwhelming system.



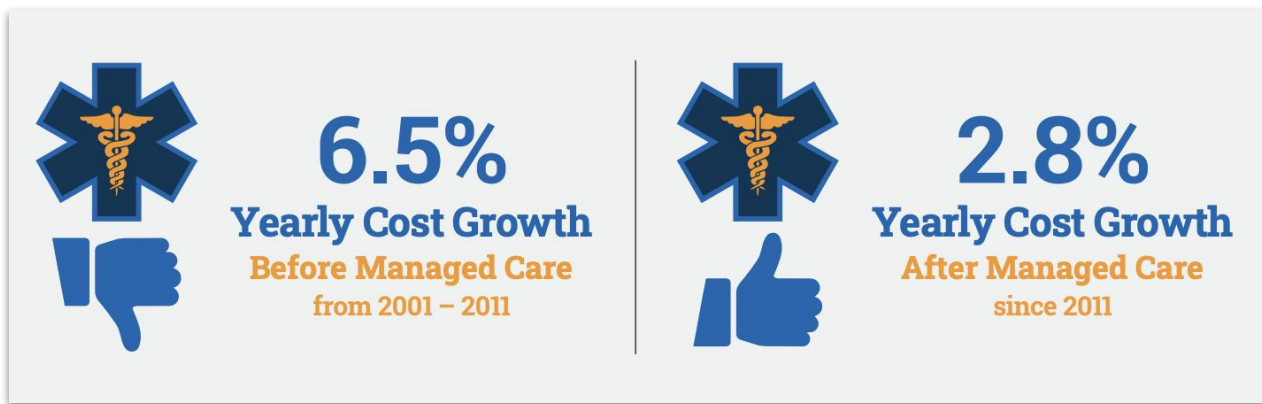
Medicaid MCOs Produce Savings

- Texas Medicaid managed care **saved taxpayers over \$5 billion from 2009 to 2017**
- As a result of managed care, Texas Medicaid is more efficient and costs less than U.S health care spending—**38% lower than the national average**—and has the lowest administrative costs in the country—90% of every dollar is invested in direct care

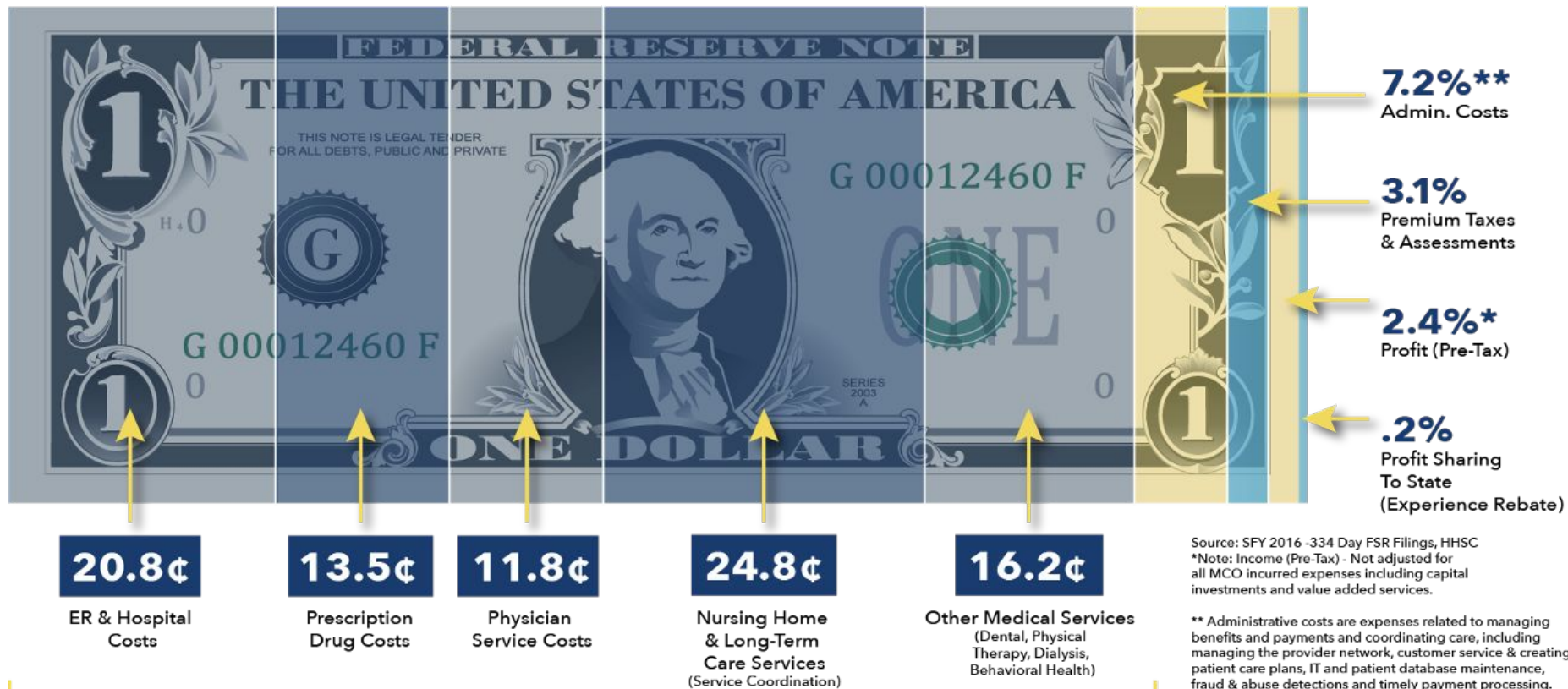


Medicaid MCOs Produce Savings

- As a result of Medicaid managed care, prescription **drug cost growth dropped by 50%** and is now three times better than the national average



- Texas' managed care 1115 waiver savings creates the federal match for the hospital supplemental payment programs** and provides financial stability to hospitals and the state's health care safety net



90% of every Medicaid dollar is invested directly in patient care

MCOs Improve Access and Outcomes Compared to FFS



Childhood Asthma

Reduced hospital stays
for children with asthma

65% reduction



Diabetes in Adults

Reduced hospital stays for
adults with complex diabetes

48% reduction



ER Visits

Reduced preventable
ER visits

16% reduction



Pregnant Moms

Timely access to
prenatal care

7x better



Annual Doctors Appointments for Children

4x better

Protect & Build on the Savings of Managed Care

- #1 Oppose any attempts to decrease flexibility**, suppress innovation, or endanger stability in the Medicaid Managed Care program.
 - Managed care allows for programs that fit the unique needs of diverse parts of Texas vs. a statewide one-size-fits-all program.
- #2 Reject proposals that carve drug coverage away or mandate high drug prices** from health coverage and threaten instability and consistent access for patients.
 - States that allow MCOs to coordinate drug coverage are more efficient and cost 21% less.
 - Texas MCO's lowered drug cost growth by 50% and Texas is now three times better than the national average.
 - Fiscal notes estimate that a carve out or mandating fee-for-service reimbursement would cost more than \$200m a biennium.
- #3 Transition all remaining services**, populations, and processes into managed care for a more efficient use of taxpayer dollars.
 - Managed care has delivered on both taxpayer savings and meeting the unique care needs of diverse populations.



Childhood Mental Health Care Starts with Medicaid

- Medicaid covers over 50% of Texas kids making the program the best opportunity to improve access to mental health services and coverage for children throughout the state.
- Medicaid lacks the the same continuum of mental health care services required in the private insurance market through mental health parity laws.
- While the legislature attempted to cover many of these services in 2019 as optional benefits that were “in lieu of” hospital benefits, none have been fully implemented.
- **The result:**
 - **Medicaid only covers two extremes**, basic therapy or full inpatient hospitalization, but nothing else in between.
 - **Medicaid families lack the supports** they need to get the right care for the right mental health needs.



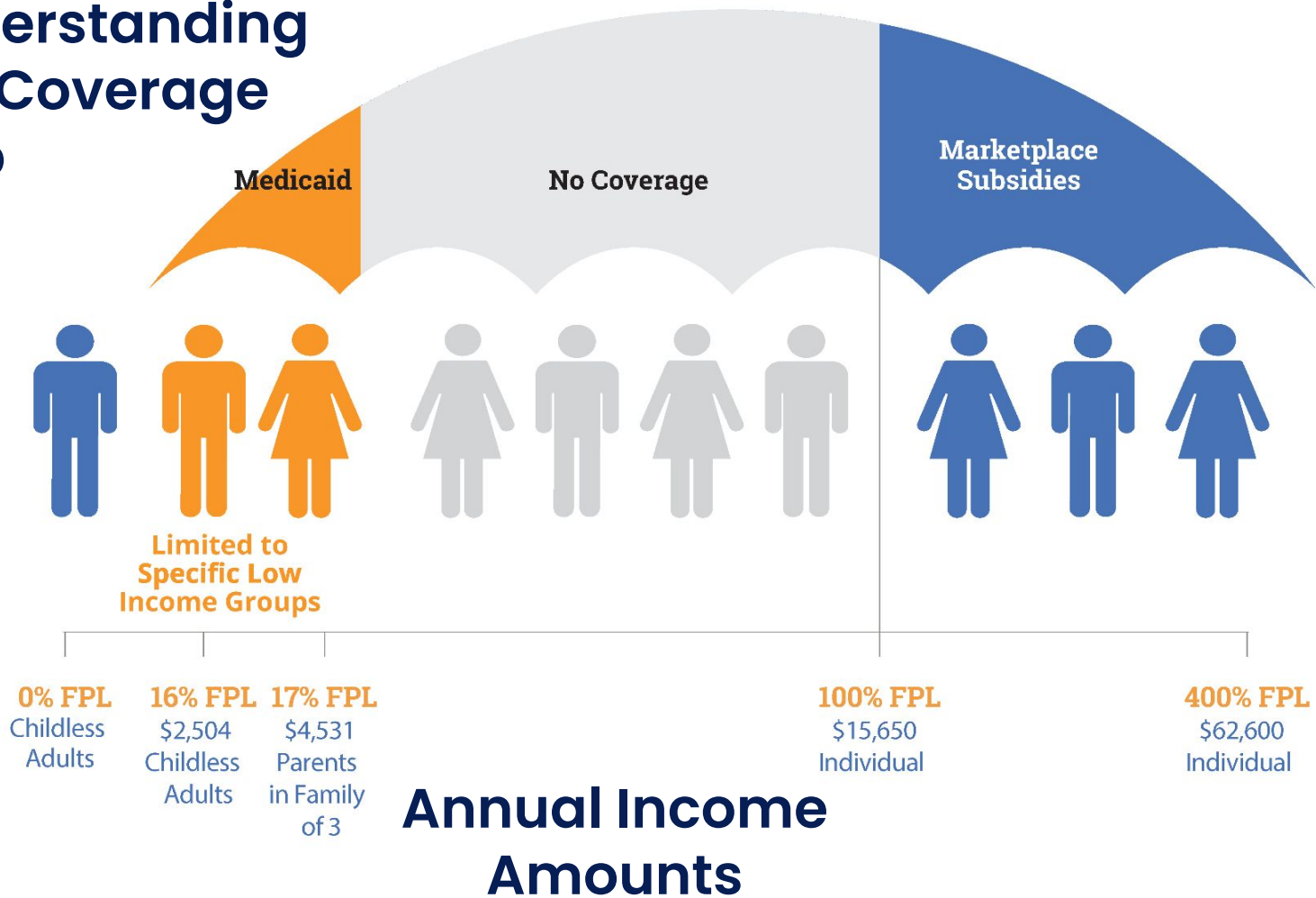
Childhood Mental Health Care Starts with Medicaid

Texas Medicaid covers half of Texas kids. Improving childhood mental care means expanding Medicaid services.

- #1 Create coverage for “step-down” services** like intensive outpatient and partial hospitalization programs (IOPs and PHPs) which are routinely covered by private insurers, but not in Medicaid.
- #2 Focus on at-risk youth with coverage for short-term, effective community services** like functional family therapy (FFT) and multisystemic therapy (MST).
- #3 Add mobilize crisis stabilization services as Medicaid benefits** to step in when families need in-home and out-of-home crisis support.
- #4 Fix the licensure requirements for psychiatric residential treatment facilities** to align with federal Medicaid requirements so these services can be added as a Medicaid benefit.
- #5 Expand coverage for psychiatric hospital stays** or residential treatment settings for longer than 15 days for adults through an 1115 waiver.



Understanding the Coverage Gap



56% of Uninsured Texans are Eligible for Free or Subsidized Coverage from Existing Programs

Coverage Gap

Uninsured adults below 100% FPL that are not eligible for ACA or marketplace subsidies

Undocumented

Uninsured adults and children

14.9%

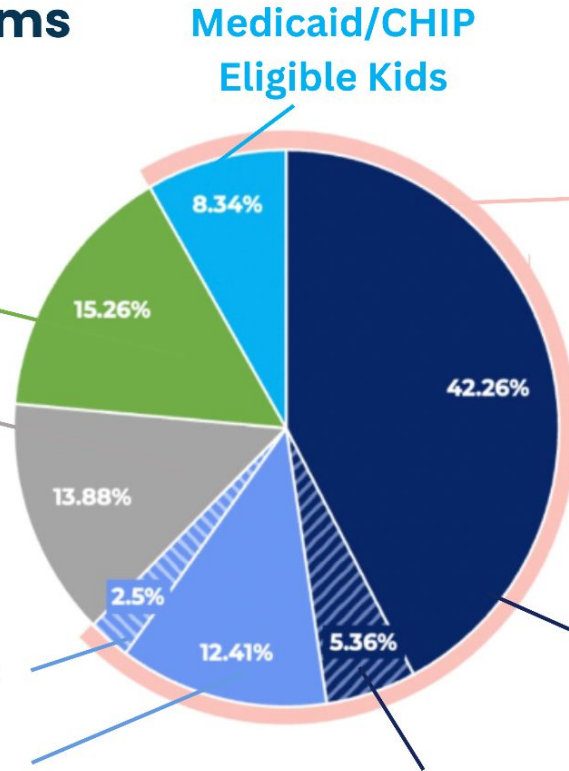
Maybe ACA Kids/Adults

Maybe ACA Kids

Uninsured children in families at or above 400% FPL, whose subsidy eligibility cannot be determined with public information

Maybe ACA Adults

Uninsured adults at or above 400% FPL, whose subsidy eligibility cannot be determined with public information



56.0%

Eligible for Existing Programs

(Includes ACA Eligible Kids/Adults and Medicaid/CHIP Eligible Kids)

Up to 70.9%

Potentially Eligible for Existing Programs

47.6%

ACA Eligible Kids/Adults

ACA Eligible Adults

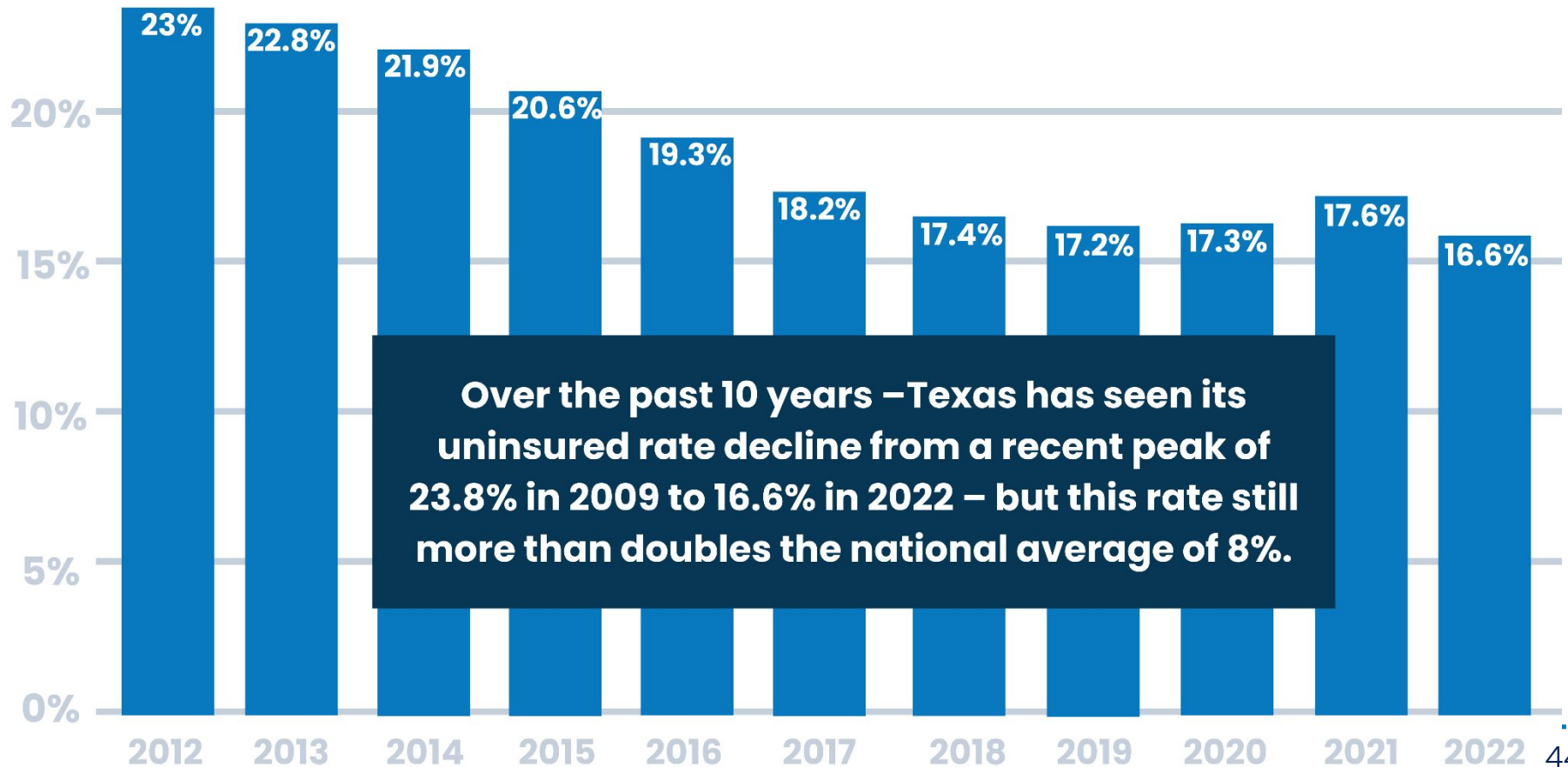
Uninsured adults eligible for subsidies on the ACA marketplace

ACA Eligible Kids

Uninsured children eligible for subsidies on the ACA marketplace

Credit:
Texas 2036

Texas Population without health insurance



Reduce the Uninsured through Existing Programs

Texas has an opportunity to reduce the uninsured through existing programs.

- #1 Protect individual market coverage gains** to ensure that the exchange continues to operate with a stable, affordable, and growing market. With nearly 3.5 million covered in the Marketplace, Texas should be cautious of proposals that create disruption, including a state-based exchange.
- #2 Focus on small employer subsidies:** New tax-advantaged programs like ICHRAs can help small employers cover employees, getting directly to the most strained coverage market.
- #3 Fix the Medicaid ex parte renewal process in Texas.** States must first attempt an automated, or ex parte, renewal by checking available state data to verify eligibility before requesting enrollees complete a renewal form. Texas ranks 2nd to last (10% vs. 60% national avg.) among states for ex parte renewals.
- #4 Allow increased flexibility for Medicaid health plans to more effectively educate families about coverage options:** Texas places restrictions on how MCOs can educate families about private Marketplace coverage.