

Women's Health Subcommittee: Newborn Coverage and Enrollment

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Coverage Options at Birth: Families Choose What Fits

A newborn can often be covered more than one way, and the right choice depends on the family

What families weigh: For many, the coverage decision is simple for others, multiple options means a more complex choice. Premiums, deductibles, which doctors and hospitals are in network, and whether a newborn needs specialty or NICU care.

EITHER PARENT'S PLAN

- The baby can be added to the mother's or the father's employer plan, if either offers dependent coverage.

GRANDPARENT'S PLAN

- A grandchild who is a grandparent's tax dependent can be covered under the grandparent's plan.

INDIVIDUAL MARKET

- A birth opens a 60-day enrollment window on HealthCare.gov, with coverage back to birth.
- Adding a child can change the family's premium tax credit.

MEDICAID OR CHIP

- Depending on family income, the baby may qualify for Medicaid or CHIP even if the parents have private coverage.

Source: Ins. Code § 1201.062; 45 C.F.R. § 155.420

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Texas-Regulated Plans: Newborns Covered From Birth

Fully insured individual, small group and large group plans regulated by TDI

SB 896 (2025)

60

days of automatic coverage

Up from 31 days. Applies to plans issued or renewed on or after Jan. 1, 2026.

COVERAGE FROM BIRTH

Texas law requires insurers to cover a newborn from birth, including congenital conditions and state-required newborn screenings.

60-DAY WINDOW

Parents have 60 days to notify the insurer or employer before the baby's coverage can end.

INDIVIDUAL MARKET

A birth also opens a 60-day federal enrollment window on HealthCare.gov, with coverage back to the date of birth.

Post 60 Days

If families failed to enroll the newborn they must wait until the next open enrollment opportunity.

Source: Ins. Code §§ 1367.003, 1501.157, 1501.607; SB 896 (89R); 45 C.F.R. § 155.420

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Self-Funded (ERISA) Plans: Federal Rules Apply

Private employers that pay employees' claims themselves are governed by federal law, not Texas law.

NO AUTOMATIC COVERAGE

Texas's 60-day rule doesn't apply self-funded employers. A parent must ask the employer to add the baby.

1 BIRTH

Baby is born

The birth starts the clock. Coverage isn't automatic under these plans.

2 30-DAY WINDOW

Parent enrolls the baby

Federal law gives parents at least 30 days after the birth. Plans can allow longer. Employers can chose to have a longer window.

3 BACK TO BIRTH

Coverage is retroactive

If the parent enrolls the baby within the window, coverage goes back to the date of birth.

MISSED DEADLINE

If the window passes, the family waits for the plan's next open enrollment.

Source: ERISA § 701(f)(2); 29 C.F.R. § 2590.701-6; ERISA § 514

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Medicaid Newborn Enrollment: How It Works

Babies born to mothers on Medicaid are eligible from birth to age 1, with no application

1 BIRTH REPORTED

Hospital reports the birth to HHSC (Form 7484) and files the birth certificate with DSHS.

2 MATCH AND ID

HHSC matches the baby to the mother's Medicaid record and issues the baby's own ID.

3 HEALTH PLAN

Baby goes into the mother's plan, back to birth, for at least 90 days. The plan learns of the baby from HHSC's enrollment record.

4 IN THE MEANTIME

Providers bill under the mother's Medicaid ID, and the plan creates a temporary record for the baby.

WHERE IT SLOWS DOWN

43,000+
newborns were not automatically enrolled in 2024

17 vs. 6
days to enroll by hand vs. automatically

Months
for a newborn's own Medicaid ID to be issued, in some cases

Source: Senate Research Center Bill Analysis, HB 3940 (89R); TMPPM §§ 2.3.2.2, 2.3.2.2.1

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HB 3940 (2025): Using the Mother's Medicaid ID

The law improved awareness, but the operational gaps behind newborn enrollment remain

WHAT IT DID AND WHY

- **Provider awareness:** Some providers didn't know they could use the mother's ID. Families were sometimes told they would be billed, or appointments were delayed.
- **Annual notice:** HHSC must remind plans, hospitals and providers each year that a newborn's care can be billed under the mother's ID.
- **Information for parents:** Hospitals, birthing centers and prenatal providers must tell parents the baby is automatically eligible and the mother's ID can be used.
- **Timing:** Effective Sept. 1, 2025; providers had to comply starting Jan. 1, 2026.

NOT A COMPLETE FIX

- **ID timing:** It doesn't change how quickly the baby's own Medicaid ID is issued.
- **Shared records:** Until that ID arrives, the baby's claims, authorizations and quality data sit on the mother's record and have to be merged later.
- **Multiples:** When twins or triplets are all billed under one ID, it's hard to tell which baby got which service. Identical claims can look like duplicates and get denied.

Source: HB 3940 (89R); Human Resources Code § 32.0631; Health & Safety Code § 161.501

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Where Confusion Starts

Each handoff after birth can produce a different name, ID or plan for the same baby

1 HOSPITAL IDENTIFIES THE BABY	2 HOSPITAL REPORTS THE BIRTH	3 HHSC ISSUES THE ID	4 PLAN GETS THE RECORD	5 CLAIMS GET PAID
21 different temporary naming convention formats across Texas hospitals, and 24 for twins and triplets.	Reporting within 5 days on Form 7484 is only a guideline, and the mother's MCO doesn't get the same information.	The baby's Medicaid ID can take months. In 2023, nearly 1 in 5 babies had to be enrolled by hand.	Records can arrive late, list the wrong parent, or show the baby in a different plan than the mother.	Under the mother's ID or a temporary record, then merged by hand once the baby's own ID arrives.

The result: Providers get mixed answers about which plan and ID to use, families can be told they'll be billed, and plans risk duplicate or missed payments.

Source: 2025 THSA survey; HHSC Form 7484; HB 3940 bill analysis (89R); TMPPM § 2.3.2.2.1; TAHP MCO call (Jan. 2026)

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RECOMMENDATION: Day One Coverage and Medicaid ID

Adopt Florida's "Unborn Activation" Model for Medicaid

1

DURING PREGNANCY

- Florida creates a Medicaid ID for the baby and issues a card with a temporary name (for example, "Baby A of Jane Smith").
- The ID becomes active only after birth.

2

AT BIRTH

- The hospital, another provider, or the mother's health plan activates the ID through an online portal.

3

2 BUSINESS DAYS

- The baby's coverage is live.
- The baby's name and date of birth are updated, and a new card is issued.

4

MCO

- The baby is automatically given its own coverage with the same MCO as the mother.
- The mother can choose a different MCO for baby within the first 3 months.

Source: Florida AHCA Medicaid Newborn Eligibility Policy; Fla. Stat. § 409.977

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RECOMMENDATIONS: Reducing Confusion

Standardize Newborn Naming Conventions Statewide

ONE NAME FORMAT AT BIRTH

SINGLE BIRTH

GIRLKatherine Miller-Smith

TWINS AND TRIPLETS

GIRL1Katherine Miller-Smith

BOY2Katherine Miller-Smith

THE PROBLEM

Hospitals use 21 different temporary naming conventions for newborns, and 24 for twins and triplets (2025 THSA survey of 28 hospitals).

A STATEWIDE STANDARD

Under its own statutory authority, THSA designated the AHIMA/NAHAM naming convention as an interoperability standard for all Texas hospitals.

WHY IT MATTERS FOR ENROLLMENT

One format lets providers, HHSC and health plans more effectively locate and match a baby's records, including each twin or triplet, to the right Medicaid ID.

The ask: Support statewide hospital adoption of the THSA naming standard. Also, Require hospitals to notify health plans of every birth through THSA or an HIE so plans can begin care management and newborn follow-up.

Source: THSA Newborn Informatics Workgroup (Oct. 2026); AHIMA 2026 Patient Naming Framework; 2025 THSA survey

RECOMMENDATIONS: More Timely Coverage for Moms

Day-One Managed Care for Pregnant Women

4–8 weeks
for a woman to learn she's pregnant and start the process

+

~30 days
to get enrolled in Medicaid

+

30–45 days
more to get into a Medicaid health plan

Second trimester

By the time she's in a health plan, she may already be in her second trimester. Once she's in a plan, she gets the care coordination she needs for a healthy pregnancy: identifying risks early and keeping up with routine checkups.

The fix:

- Enroll pregnant women in a health plan as soon as they're approved, as CHIP already does, so that support starts sooner and the baby can be placed in her plan at birth.
- Allow health plans to assist with mom's application.