

BILL ANALYSIS

C.S.H.B. 290
By: Cortez
Human Services
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The uninsured rate for children in Texas is more than double the national average. It has been suggested that the state, which operates the Medicaid program on which many low income children and families rely for coverage, does not do an adequate job of ensuring vulnerable children are not cycling on and off the program and being forced to go uninsured, which only results in increased costs for all parties through the cost of uncompensated care. C.S.H.B. 290 seeks to address this issue by providing for a mid-year income check and providing a child's parent or guardian an opportunity to address findings that their household income renders the child ineligible for continued Medicaid coverage before that coverage is terminated while providing also for notification that a child whose Medicaid coverage is ultimately terminated may qualify for CHIP.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission in SECTION 1 of this bill.

ANALYSIS

C.S.H.B. 290 amends the Human Resources Code to require the executive commissioner of the Health and Human Services Commission (HHSC) to adopt rules to provide for two consecutive periods of continuous eligibility under the state Medicaid program for children younger than 19 years of age between each certification and recertification of the child's eligibility. A child remains eligible during the first of the two consecutive periods, without additional review by HHSC, until the end of the six-month period following the date on which the child's eligibility was determined.

C.S.H.B. 290 requires HHSC to review a child's household income during the sixth month following the date on which the child's Medicaid eligibility is certified or recertified in a manner that complies with federal law. If the review indicates that the child's household income does not exceed the maximum income for eligibility, HHSC must provide for a second consecutive period of continuous eligibility for the child. If the review indicates that the child's household income does exceed the maximum income for eligibility, HHSC may request additional documentation to verify the child's household income in a manner that complies with federal law.

C.S.H.B. 290 requires HHSC to continue to provide Medicaid coverage for a child whose household income HHSC has determined, after review, exceeds the maximum income for

eligibility until 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 and that parent or guardian fails to provide the documentation during that period. If the parent or guardian provides documentation demonstrating that the child's household income does not exceed the maximum income, HHSC must provide for a second consecutive period of continuous eligibility for the child. The bill prohibits HHSC from recertifying a child's eligibility more frequently than every 12 months as required by federal law.

C.S.H.B. 290 requires HHSC to provide a child's parent or guardian who fails to provide documentation demonstrating that the child's household income does not exceed the maximum income for eligibility within the period required with written notice of termination following the period. The notice must include a statement that the child may be eligible for enrollment in CHIP. The bill requires HHSC, in developing the notice, to consult with health care providers, children's health care advocates, family members of children enrolled in Medicaid, and other stakeholders to determine the most user-friendly method to provide the notice to a child's parent or guardian.

C.S.H.B. 290 authorizes the executive commissioner to adopt rules as necessary to implement the bill's provisions.

EFFECTIVE DATE

September 1, 2021.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 290 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute does not provide for a one-year period of continuous eligibility for Medicaid coverage for recipients who are children younger than 19 years of age. The substitute instead provides for two consecutive six-month periods of continuous eligibility for such a recipient between each certification and recertification of the child's eligibility and prescribes a system of review under which:

- HHSC must review a child's household income during the last month of the six-month period to determine the child's continued eligibility for Medicaid coverage; and
- depending on the results of the review, HHSC must either:
 - provide for a second consecutive period of continuous eligibility for the child until the child's required annual recertification if their household income does not exceed the maximum income for eligibility; or
 - for a child whose household income is found to exceed the maximum income for eligibility, provide an opportunity for the child's parent or guardian to provide documentation demonstrating that the child's household income does not exceed that maximum income, after which the child is either provided a second consecutive period of continuous eligibility or the child's Medicaid coverage is terminated at the end of the redress period.

The substitute includes a provision requiring HHSC to provide notice that a child whose Medicaid eligibility is terminated may be eligible for CHIP.

The substitute includes a provision prohibiting HHSC from recertifying a child's Medicaid eligibility more frequently than every 12 months as required by federal law.

The substitute authorizes the executive commissioner to adopt rules as necessary to implement the bill's provisions.