

Improve the Health of Texas Children



Support House Bill 109

The Crisis

Texas has the nation's highest rate of uninsured children, with one in five kids lacking coverage.

Nationwide, The Children's Health Insurance Program (CHIP) and children's Medicaid are extremely cost-effective, delivering comprehensive, affordable health coverage to millions of American children at a cost that is 31% lower than private insurance.

Texas children deserve that same effective care so they can grow and learn, and so their parents can spend their days at work, not at the emergency room. Texas taxpayers deserve that same efficiency, so tax dollars are spent on health care, not correcting bureaucratic mistakes.

When Texas kids are healthy, everyone wins. This isn't about politics, it's about doing what's right for our kids.



Uninsured Children in Texas

- **More than 80% of uninsured children have at least one working parent**,¹ but private health insurance is often too costly for families to afford, averaging over \$900 a month according to the Texas Department of Insurance.
- More than **half of the 1.4 million uninsured children in Texas are eligible for but not enrolled in CHIP or children's Medicaid.**
- **CHIP enrollment has dropped by more than 185,000 children (more than 36%) since state budget cuts took effect in 2003. Medicaid enrollment dropped by more than 77,000 children in 2006.**²
- **More than 70% of Texas children who lost CHIP and Medicaid became uninsured.**³ Children without health insurance are four times as likely to rely on emergency room treatment for routine care, at a staggering cost to local taxpayers.
- Texas has already **lost \$893 million in federal matching funds** by not fully funding CHIP.

¹ U.S. Census Bureau Current Population Survey Annual Social and Economic Supplement 2005.

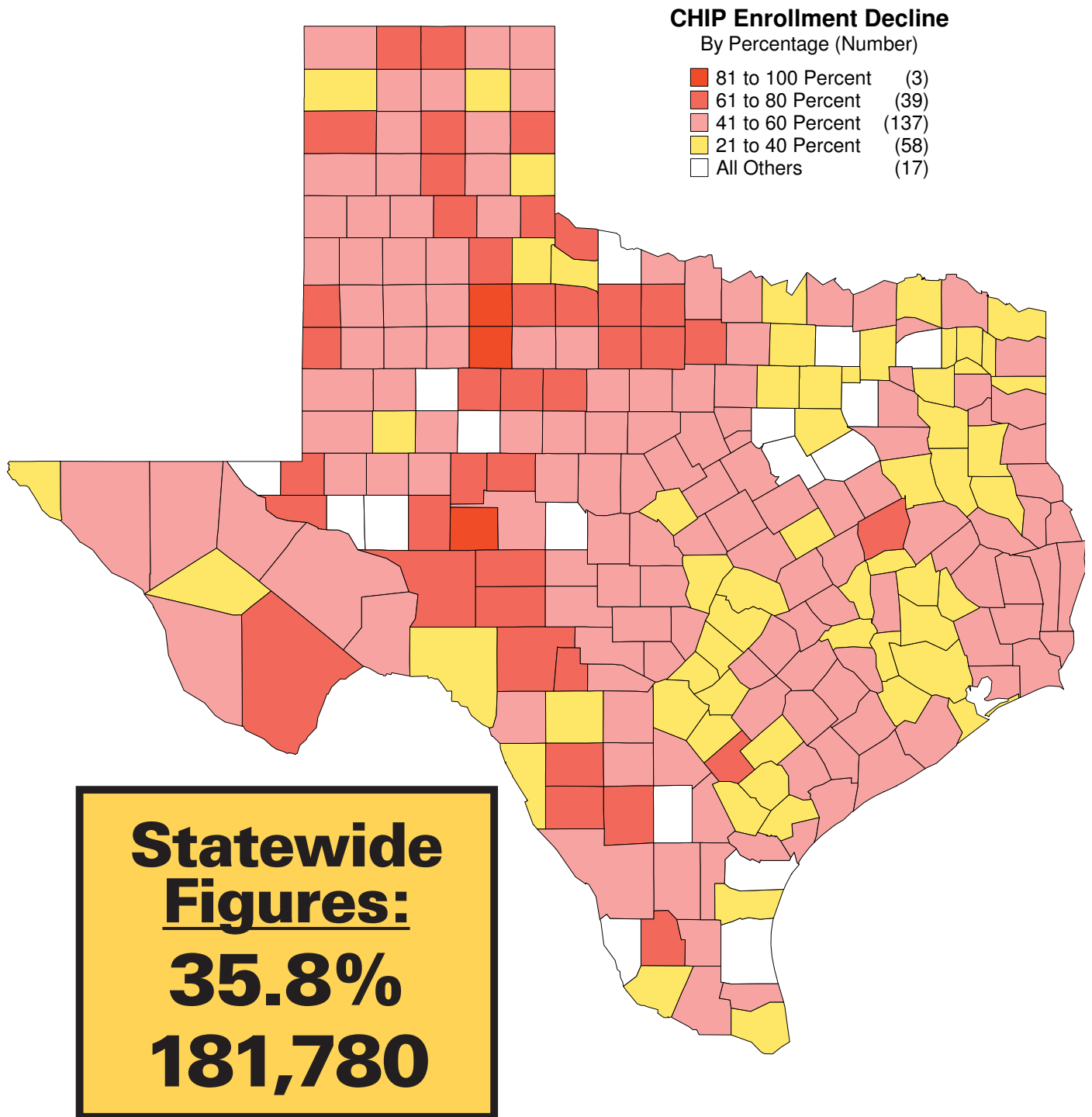
² All enrollment statistics based on HHSC reports available as of Jan. 15, 2007.

³ 2006 University of Florida Institute of Child Health Policy study commissioned by Texas HHSC.

**How did the 2003
CHIP cuts affect
your district?**

Texas CHIP Enrollment Decline

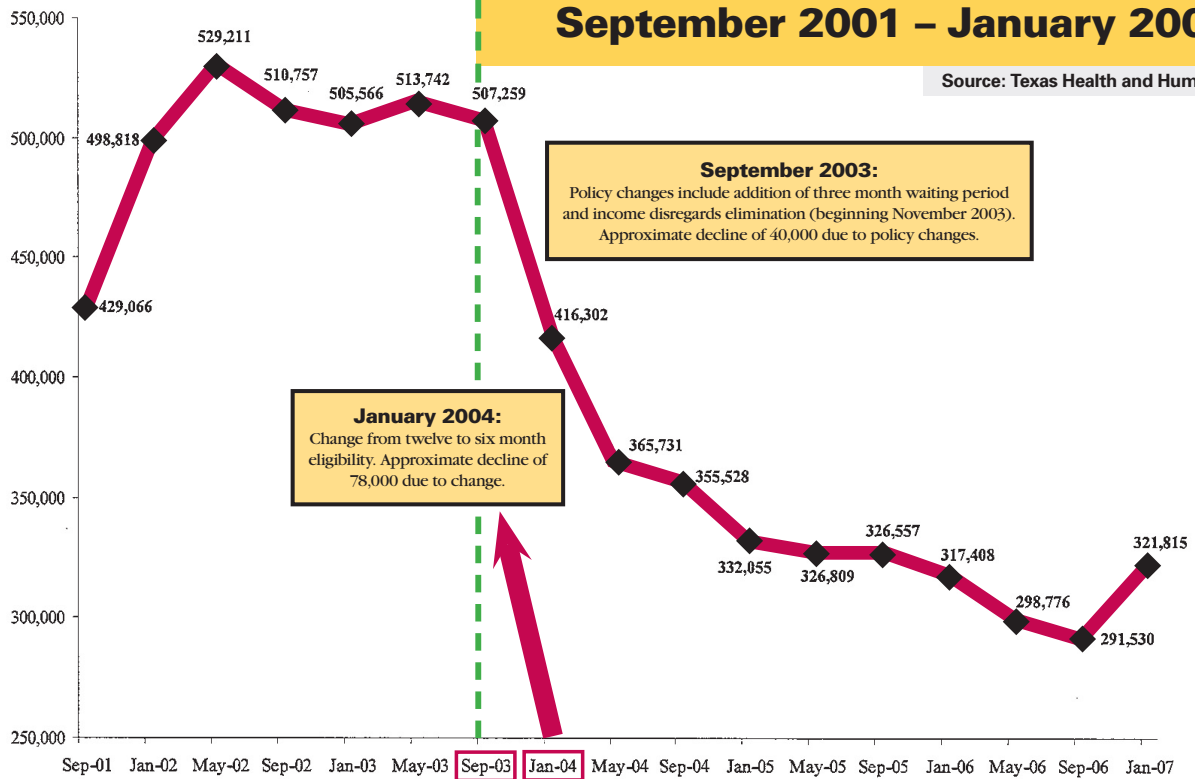
From September 2003 to February 2007



Policy Impact on CHIP Enrollment Levels

CHIP Enrollment and Policy Changes, September 2001 – January 2007

Source: Texas Health and Human Services



September 2003:
Policy changes include addition of three month waiting period and income disregards elimination (beginning November 2003). Approximate decline of 40,000 due to policy changes.

January 2004:
Change from twelve to six month eligibility. Approximate decline of 78,000 due to change.

Texas CHIP Enrollment Decline

Sept. 2003 to Feb. 2007

Source: Texas Health and Human Services Commission

Sen. Kip Averitt (R)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
TEXAS	507,259	325,479	-181,780	-35.8%
Somervell	223	100	-123	-55.2%
Bosque	538	248	-290	-53.9%
Hood	1,005	560	-445	-44.3%
Coryell	746	418	-328	-44.0%
McLennan	3,800	2,221	-1,579	-41.6%
Johnson	3,065	1,812	-1,253	-40.9%
Hill	944	559	-385	-40.8%
Falls	279	192	-87	-31.2%
Ellis	2,177	1,598	-579	-26.6%
Navarro	517	500	-17	-3.3%
District Totals	13,294	8,208	-5,086	-38.3%

Sen. "Kim" Brimer (R)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Tarrant	28,962	20,481	-8,481	-29.3%
District Totals	28,962	20,481	-8,481	-29.3%

Sen. John Carona (R)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to /07	% Change
Dallas	48,206	37,316	-10,890	-22.6%
District Totals	48,206	37,316	-10,890	-22.6%

Sen. Bob Deuell (R)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Van Zandt	1,375	687	-688	-50.0%
Delta	127	64	-63	-49.6%
Rains	315	163	-152	-48.3%
Fannin	656	348	-308	-47.0%
Hopkins	832	494	-338	-40.6%
Smith	4,571	2,755	-1,816	-39.7%
Hunt	1,342	900	-442	-32.9%
Rockwall	696	536	-160	-23.0%
Dallas	48,206	37,316	-10,890	-22.6%
Kaufman	1,548	1,259	-289	-18.7%
District Totals	59,668	44,522	-15,146	-25.4%

Sen. Robert Duncan (R)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Irion	64	1	-63	-98.4%
Kent	34	3	-31	-91.2%
Dickens	64	12	-52	-81.3%
Border	15	3	-12	-80.0%
King	9	2	-7	-77.8%
Fisher	142	34	-108	-76.1%
Reagan	214	59	-155	-72.4%
Motley	47	13	-34	-72.3%
Carson	114	34	-80	-70.2%
Wheeler	151	46	-105	-69.5%
Scurry	493	151	-342	-69.4%
Knox	181	59	-122	-67.4%
Coke	84	28	-56	-66.7%
Armstrong	60	21	-39	-65.0%
Sterling	47	17	-30	-63.8%
Schleicher	114	42	-72	-63.2%
Briscoe	53	20	-33	-62.3%
Jones	533	202	-331	-62.1%
Hardeman	109	42	-67	-61.5%
Childress	158	61	-97	-61.4%
Mitchell	225	88	-137	-60.9%
Concho	106	42	-64	-60.4%
Upton	110	44	-66	-60.0%
Lynn	192	78	-114	-59.4%
Lamb	611	249	-362	-59.2%
Gray	453	185	-268	-59.2%
Hockley	661	271	-390	-59.0%
Nolan	548	228	-320	-58.4%
Terry	390	170	-220	-56.4%
Stonewall	47	21	-26	-55.3%
Garza	183	85	-98	-53.6%
Floyd	269	130	-139	-51.7%
Haskell	213	103	-110	-51.6%
Dawson	394	195	-199	-50.5%
Runnels	371	184	-187	-50.4%
Crosby	243	124	-119	-49.0%
Tom Green	2,580	1,329	-1,251	-48.5%
Hale	910	472	-438	-48.1%
Lubbock	4,718	2,479	-2,239	-47.5%
Castro	266	143	-123	-46.2%
Donley	109	59	-50	-45.9%
Hall	100	56	-44	-44.0%
Swisher	230	133	-97	-42.2%
Collingsworth	84	51	-33	-39.3%
Foard	61	39	-22	-36.1%
Cottle	46	36	-10	21.7%
District Totals	16,806	7,844	-8,962	-53.3%

Sen. Rodney Ellis (D)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Harris	93,901	67,701	-26,200	-27.9%
Fort Bend	7,577	5,840	-1,737	-22.9%
District Totals	101,478	73,541	-27,937	-27.5%

Sen. Kevin Eltife (R)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Red River	352	157	-195	-55.4%
Panola	477	230	-247	-51.8%
Cass	751	390	-361	-48.1%
Upshur	1,016	530	-486	-47.8%
Gregg	2,983	1,668	-1,315	-44.1%
Harrison	1,243	719	-524	-42.2%
Smith	4,571	2,755	-1,816	-39.7%
Franklin	286	176	-110	-38.5%
Morris	312	193	-119	-38.1%
Marion	227	142	-85	-37.4%
Camp	357	225	-132	-37.0%
Bowie	1,111	707	-404	-36.4%
Lamar	1,011	649	-362	-35.8%
Rusk	976	631	-345	-35.3%
Wood	995	686	-309	-31.1%
Titus	929	649	-280	-30.1%
District Totals	17,597	10,507	-7,090	-40.3%

Sen. Craig Estes (R)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Throckmorton	80	24	-56	-70.0%
Young	552	193	-359	-65.0%
Archer	150	55	-95	-63.3%
Baylor	157	58	-99	-63.1%
Jack	270	104	-166	-61.5%
Clay	222	93	-129	-58.1%
Montague	605	258	-347	-57.4%
Shackelford	121	56	-65	-53.7%
Wichita	1,813	872	-941	-51.9%
Palo Pinto	711	353	-358	-50.4%
Wise	1,223	619	-604	-49.4%
Stephens	347	188	-159	-45.8%
Parker	1,654	923	-731	-44.2%
Grayson	2,045	1,193	-852	-41.7%
Wilbarger	204	122	-82	-40.2%
Denton	5,633	3,843	-1,790	-31.8%
Cooke	631	442	-189	-30.0%
Collin	4,626	3,999	-627	-13.6%
District Totals	21,044	13,395	-7,649	-36.3%

Sen. Troy Fraser (R)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
San Saba	186	82	-104	-55.9%
Callahan	403	181	-222	-55.1%
Coleman	262	119	-143	-54.6%
Brown	768	354	-414	-53.9%
Eastland	706	326	-380	-53.8%
McCulloch	357	167	-190	-53.2%
Llano	488	231	-257	-52.7%
Comanche	466	222	-244	-52.4%
Mason	134	65	-69	-51.5%
Kerr	1,196	588	-608	-50.8%
Hamilton	297	148	-149	-50.2%
Lampasas	484	245	-239	-49.4%
Gillespie	696	353	-343	-49.3%
Blanco	236	124	-112	-47.5%
Taylor	2,956	1,575	-1,381	-46.7%
Menard	84	45	-39	-46.4%
Bell	3,445	1,908	-1,537	-44.6%
Kimble	146	81	-65	-44.5%
Erath	756	421	-335	-44.3%
Burnet	1,063	662	-401	-37.7%
Mills	81	53	-28	-34.6%
District Totals	15,210	7,950	-7,260	-47.7%

Sen. Mario Gallegos (D)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Harris	93,901	67,701	-26,200	-27.9%
District Totals	93,901	67,701	-26,200	-27.9%

Sen. Chris Harris (R)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Denton	5,633	3,843	-1,790	-31.8%
Tarrant	28,962	20,481	-8,481	-29.3%
Dallas	48,206	37,316	-10,890	-22.6%
District Totals	82,801	61,640	-21,161	-25.6%

Sen. Glenn Hegar (R)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Lavaca	590	261	-329	-55.8%
Victoria	2,349	1,055	-1,294	-55.1%
Colorado	600	270	-330	-55.0%
Calhoun	561	254	-307	-54.7%
Aransas	551	251	-300	-54.4%
Matagorda	1,292	641	-651	-50.4%
Gonzales	526	262	-264	-50.2%
Jackson	344	175	-169	-49.1%
Wharton	1,193	632	-561	-47.0%
Bastrop	1,668	887	-781	-46.8%
Fayette	609	349	-260	-42.7%
Austin	577	336	-241	-41.8%
Caldwell	1,014	594	-420	-41.4%
De Witt	414	262	-152	-36.7%
Goliad	114	74	-40	-35.1%
Waller	914	597	-317	-34.7%
Refugio	208	140	-68	-32.7%
Washington	453	306	-147	-32.5%
Fort Bend	7,577	5,840	-1,737	-22.9%
District Totals	21,554	13,186	-8,368	-38.8%

Sen. Juan "Chuy" Hinojosa (D)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Brooks	267	132	-135	-50.6%
Jim Wells	1,468	733	-735	-50.1%
Hidalgo	28,834	16,237	-12,597	-43.7%
Nueces	8,384	4,955	-3,429	-40.9%
District Totals	38,953	22,057	-16,896	-43.4%

Sen. Mike Jackson (R)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Brazoria	5,483	3,168	-2,315	-42.2%
Galveston	4,436	2,922	-1,514	-34.1%
Harris	93,901	67,701	-26,200	-27.9%
District Totals	103,820	73,791	-30,029	-28.9%

Sen. Kyle Janek (R)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Chambers	495	269	-226	-45.7%
Jefferson	5,134	2,854	-2,280	-44.4%
Brazoria	5,483	3,168	-2,315	-42.2%
Galveston	4,436	2,922	-1,514	-34.1%
Harris	93,901	67,701	-26,200	-27.9%
Fort Bend	7,577	5,840	-1,737	-22.9%
District Totals	117,026	82,754	-34,272	-29.3%

Sen. Eddie Lucio (D)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Willacy	811	439	-372	-45.9%
Cameron	13,505	8,128	-5,377	-39.8%
Kleberg	773	494	-279	-36.1%
Kenedy	19	17	-2	-10.5%
District Totals	15,108	9,078	-6,030	-39.9%

Sen. Jane Nelson (R)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Denton	5,633	3,843	-1,790	-31.8%
Tarrant	28,962	20,481	-8,481	-29.3%
District Totals	34,595	24,324	-10,271	-29.7%

Sen. Robert Nichols (R)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Jasper	1,005	412	-593	-59.0%
San Augustine	228	100	-128	-56.1%
Tyler	617	276	-341	-55.3%
Newton	421	189	-232	-55.1%
Hardin	1,567	735	-832	-53.1%
Sabine	274	134	-140	-51.1%
Shelby	608	311	-297	-48.8%
Henderson	2,033	1,049	-984	-48.4%
Polk	1,018	551	-467	-45.9%
Angelina	1,539	860	-679	-44.1%
Smith	4,571	2,755	-1,816	-39.7%
Montgomery	6,391	3,915	-2,476	-38.7%
Anderson	978	607	-371	-37.9%
Nacogdoches	894	555	-339	-37.9%
San Jacinto	463	315	-148	-32.0%
Cherokee	1,237	845	-392	-31.7%
District Totals	23,844	13,609	-10,235	-42.9%

Sen. Steve Ogden (R)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Leon	466	179	-287	-61.6%
Robertson	363	148	-215	-59.2%
Burleson	394	194	-200	-50.8%
Houston	390	198	-192	-49.2%
Grimes	478	249	-229	-47.9%
Lee	463	243	-220	-47.5%
Freestone	322	170	-152	-47.2%
Limestone	481	258	-223	-46.4%
Trinity	283	164	-119	-42.0%
Milam	551	320	-231	-41.9%
Brazos	2,062	1,270	-792	-38.4%
Williamson	5,377	3,348	-2,029	-37.7%
Walker	595	411	-184	-30.9%
Madison	194	152	-42	-21.6%
District Totals	12,419	7,304	-5,115	-41.2%

Sen. Dan Patrick (R)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Harris	93,901	67,701	-26,200	-27.9%
District Totals	93,901	67,701	-26,200	-27.9%

Sen. Kel Seliger (R)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Crane	161	31	-130	-80.7%
Sherman	74	21	-53	-71.6%
Yoakum	343	115	-228	-66.5%
Oldham	78	28	-50	-64.1%
Hansford	190	71	-119	-62.6%
Cochran	121	46	-75	-62.0%
Ochiltree	245	103	-142	-58.0%
Andrews	572	241	-331	-57.9%
Ector	3,956	1,721	-2,235	-56.5%
Midland	3,318	1,456	-1,862	-56.1%
Hemphill	90	40	-50	-55.6%
Lipscomb	87	39	-48	-55.2%
Hutchinson	587	268	-319	-54.3%
Randall	1,525	711	-814	-53.4%
Deaf Smith	611	287	-324	-53.0%
Moore	366	173	-193	-52.7%
Dallam	249	120	-129	-51.8%
Gaines	962	472	-490	-50.9%
Glasscock	50	25	-25	-50.0%
Potter	2,297	1,248	-1,049	-45.7%
Bailey	233	130	-103	-44.2%
Howard	753	430	-323	-42.9%
Parmer	308	176	-132	-42.9%
Martin	161	113	-48	-29.8%
Roberts	7	5	-2	-28.6%
Hartley	43	32	-11	-25.6%
District Totals	17,387	8,102	-9,285	-53.4%

Sen. Florence Shapiro (R)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Dallas	48,206	37,316	-10,890	-22.6%
Collin	4,626	3,999	-627	-13.6%
District Totals	52,832	41,315	-11,517	-21.8%

Sen. Eliot Shapleigh (D)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
El Paso	22,082	14,067	-8,015	-36.3%
District Totals	22,082	14,067	-8,015	-36.3%

Sen. Carlos Uresti (D)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Brewster	168	57	-111	-66.1%
Crockett	140	50	-90	-64.3%
Sutton	167	60	-107	-64.1%
Edwards	102	37	-65	-63.7%
Ward	362	132	-230	-63.5%
Real	105	40	-65	-61.9%
Winkler	349	133	-216	-61.9%
Culberson	110	46	-64	-58.2%
Hudspeth	134	59	-75	-56.0%
Presidio	213	96	-117	-54.9%
Bandera	437	198	-239	-54.7%
Terrell	13	6	-7	-53.8%
Pecos	415	195	-220	-53.0%
Reeves	438	220	-218	-49.8%
Medina	948	520	-428	-45.1%
Kinney	80	44	-36	-45.0%
Maverick	2,346	1,485	-861	-36.7%
El Paso	22,082	14,067	-8,015	-36.3%
Val Verde	1,107	715	-392	-35.4%
Uvalde	782	525	-257	-32.9%
Bexar	31,075	22,516	-8,559	-27.5%
Jeff Davis	26	19	-7	-26.9%
District Totals	61,599	41,220	-20,379	-33.1%

Sen. Leticia Van De Putte (D)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Bexar	31,075	22,516	-8,559	-27.5%
District Totals	31,075	22,516	-8,559	-27.5%

Sen. Kirk Watson (D)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Travis	12,635	9,352	-3,283	-26.0%
District Totals	12,635	9,352	-3,283	-26.0%

Sen. Jeff Wentworth (R)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Kendall	517	227	-290	-56.1%
Comal	1,524	965	-559	-36.7%
Hays	2,209	1,480	-729	-33.0%
Guadalupe	1,565	1,133	-432	-27.6%
Bexar	31,075	22,516	-8,559	-27.5%
Travis	12,635	9,352	-3,283	-26.0%
District Totals	49,525	35,673	-13,852	-28.0%

Sen. Royce West (D)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Dallas	48,206	37,316	-10,890	-22.6%
District Totals	48,206	37,316	-10,890	-22.6%

Sen. John Whitmire (D)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Harris	93,901	67,701	-26,200	-27.9%
District Totals	93,901	67,701	-26,200	-27.9%

Sen. Tommy Williams (R)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Orange	2,231	1,087	-1,144	-51.3%
Liberty	2,329	1,139	-1,190	-51.1%
Chambers	495	269	-226	-45.7%
Jefferson	5,134	2,854	-2,280	-44.4%
Montgomery	6,391	3,915	-2,476	-38.7%
Harris	93,901	67,701	-26,200	-27.9%
District Totals	110,481	76,965	-33,516	-30.3%

Sen. Judith Zaffirini (D)

County	Sept. 2003 Enrollment	Feb. 2007 Enrollment	Change from 9/03 to 2/07	% Change
Dimmit	449	157	-292	-65.0%
La Salle	177	63	-114	-64.4%
Zavala	488	176	-312	-63.9%
Jim Hogg	224	84	-140	-62.5%
Karnes	392	152	-240	-61.2%
Zapata	493	196	-297	-60.2%
Duval	460	201	-259	-56.3%
Frio	602	286	-316	-52.5%
Atascosa	1,189	620	-569	-47.9%
San Patricio	2,316	1,248	-1,068	-46.1%
Live Oak	236	131	-105	-44.5%
Webb	8,903	5,094	-3,809	-42.8%
Wilson	805	490	-315	-39.1%
Starr	3,058	1,881	-1,177	-38.5%
Bee	694	435	-259	-37.3%
Bexar	31,075	22,516	-8,559	-27.5%
McMullen	11	15	4	36.4%
District Totals	51,572	33,745	-7,827	-34.6%

The Cure

Cut the number of uninsured Texas kids in half by enrolling every eligible child in CHIP and Medicaid.

The Texas CHIP Coalition and Insure Texas Kids Campaign urge the following plan of action for the 80th Texas Legislature.

- Implement 12-month continuous eligibility for CHIP and children's Medicaid.
- Eliminate bureaucratic roadblocks that discourage personal responsibility, and help low-income families achieve self-sufficiency:
 - a. Fix problems with the Integrated Eligibility System that prevent eligible kids from losing CHIP and Medicaid coverage.
 - b. Eliminate the CHIP asset test.
 - c. Eliminate the CHIP 90-day delay of coverage for uninsured children.
 - d. Deduct child care and child support expenses when calculating income for CHIP.
- Provide adequate reimbursement for Medicaid and CHIP providers.
- Invest in outreach and education to ensure that all eligible children get the care they need.



HB 109

A Sensible Bipartisan Compromise on CHIP

What HB 109 Does

- Provides 12-month continuous eligibility for CHIP and statutorily requires the Health and Human Services Commission to verify enrollee income.
- Creates in statute a CHIP assets test that better reflects the needs of working-class CHIP-eligible families. Families are limited to \$10,000 in liquid assets and one vehicle worth no more than \$18,000, as well as a second vehicle at \$7,500.
- Allows **child-care expenses** to be deducted when calculating income eligibility.
- Eliminates the 90-day waiting period, restoring Texas CHIP's original anti-crowd-out policy. Ensures that only previously uninsured children are enrolled without delay.



HB 109 Makes Good Economic Sense

- HB 109 maximizes CHIP's higher federal match rate: Texas receives \$2.64 in federal matching funds for every state dollar invested in CHIP, a better federal match rate than our Medicaid match of \$1.55.
- This match rate means we can buy \$120 in coverage for \$39 or less per month.
- Ray Perryman, a nationally-recognized economist, has calculated that for every \$1 in state funds cut in CHIP and Medicaid, Texas' businesses pay out-of-pocket increases in taxes and insurance of \$1.58, and every Texan's health insurance premiums increase by \$1.34.
- According to an analysis by the Texas CHIP HMO run by Texas Children's Hospital in Houston, medical costs per child decrease about 25 percent the longer the child has consistent access to a doctor. Keeping children out of the hospital and the emergency room (ER) makes good financial sense.
- Children without health insurance are four times more likely than those with insurance to rely on ER treatment for routine care, at a much higher cost to local taxpayers.
- When children **without** CHIP or Medicaid end up in county emergency rooms for care, local taxpayers pay 100 percent of the bill — with no federal match. Treating an asthma attack in the doctor's office costs about \$100, but treating a full-blown attack with an ER visit and a hospital stay costs more than \$7,300. (*Harris County Hospital District*)
- Uninsured children are 25 percent more likely to miss school, and Texas school districts lose \$4 million per day in state funding because of absenteeism. Reducing the number of uninsured kids helps control our local school taxes.

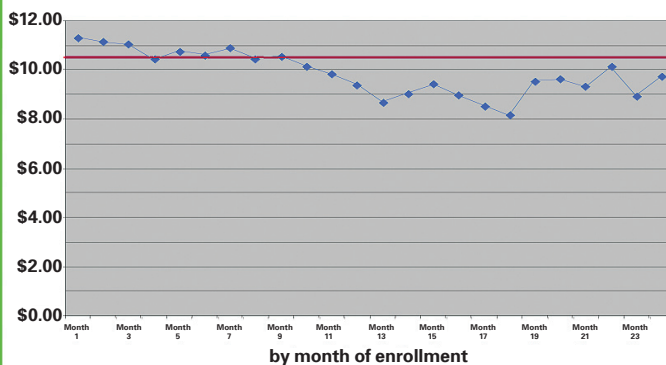
HB 109 Makes Good Medical Sense

- Twelve-month continuous eligibility helps children maintain a medical home, which is especially critical in the early years when numerous vaccinations and regular checkups are required.
- Uninsured children are **10 times more likely than insured children** to miss out on needed medical care, including care for common illnesses such as ear infections and asthma. The lack of insurance increases a child's likelihood of prolonged, costly illness and/or hospitalization, potentially endangering a child's life.
- It is important that children receive regular, preventive care, such as vision and hearing exams, dental care, immunizations, and well-child exams. Continuous 12-month CHIP eligibility is a fundamental component of promoting appropriate preventive and primary health care for children.
- Twelve-month continuous coverage saves money. A study by Texas Children's Health Plan found the longer a child is enrolled in CHIP, the lower the cost of care per child, since children with chronic conditions are better managed and do not rely on the ER.



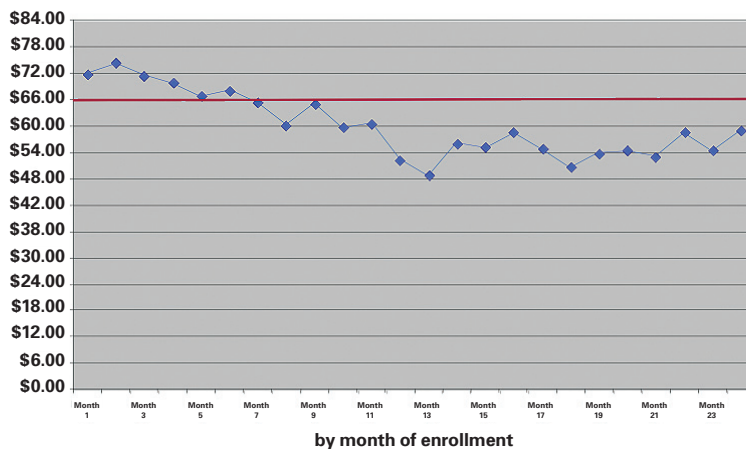
The longer a child is enrolled in CHIP, the lower the cost of care per child.

Emergency Room Costs



Total Claims Dollars Per Member Per Month

Total Claims Dollars Per Member Per Month (Illustration 1)



Source: Texas Children's Health Plan

HB 109 Supporters

Statewide Organizations

Advocacy Inc.
Aetna Health Inc. (Texas) – Medicaid Services
American Association of University Women
AMERIGROUP Texas
Any Baby Can – Texas
Baptist Christian Life Commission
Catholic Health Association of Texas
Center for Public Policy Priorities
Children’s Defense Fund of Texas
Children’s Hospital Association of Texas (CHAT)
Children’s Hospitals and Related Institutions of Texas (CHARIOT)
Coalition for Nurses in Advanced Practice
Council of Families for Children
League of Women Voters of Texas
March of Dimes
Mental Health Association in Texas
Methodist Healthcare Ministries
National Council of Jewish Women, Texas State Public Affairs
Texans Care For Children
Texas Academy of Family Physicians
Texas Association for Infant Mental Health (TAIMH)
Texas Association of Community Health Centers
Texas Association of Community Action Agencies (TACAA)
Texas Association of Health Plans
Texas Association of Public and Nonprofit Hospitals
Texas Cooperative Extension
Texas Dental Association
Texas Dietary Managers Association
Texas Federation of Teachers
Texas Hospital Association
Texas IMPACT
Texas Medical Association
Texas National Organization for Women (NOW)
Texas Network of Youth Services (TNOYS)
Texas Nurses Association
Texas Oral Health Network

Texas Pediatric Society
Texas PTA
Texas State Employees Union/CWA Local 6186
TexProtects: the Texas Association for the Protection of Children
United Methodist Women (Texas Conference)
United Ways of Texas

Local and Regional Organizations

Abilene:

Hendrick Health System

Austin Area:

Austin/Travis County Community Health Centers
insure-a-kid
Lone Star Circle of Care (Georgetown)
People’s Community Clinic
Seton Asthma Program
Seton Family of Hospitals
Superior Health Plan
Travis County Medical Society
Volunteer Healthcare Clinic

Beaumont:

I Have a Dream Foundation
IEA (Inspire, Encourage, Achieve) Foundation
Catholic Charities Diocese of Beaumont, Inc.

Corpus Christi:

CASA of Corpus Christi
Driscoll Children’s Health Plan

Dallas:

Broadband Specialists, Inc.
Safety Committee (Mesquite)
Central Dallas Ministries
ChildCareGroup
Children’s Medical Center Dallas
City of Dallas
Dallas WIC program
Community Dental Care

Community Hospital Corporation (Plano)
Dallas Area CHIP Coalition
Dallas Concilio of Hispanic Services
Fit-for-Me Foundation, Inc.
Greater Texas Chapter, National Association of
Pediatric Nurse Practitioners
Head Start of Greater Dallas
LEAN Families Program
National Council of Jewish Women, Greater Dallas Section
Phoenix House
PT Home Services of Dallas
Sante Pediatrics
Shared Housing Center
Temple Emanu-El
United Way of Metropolitan Dallas
UroMed, Inc. (Carrollton)

El Paso Area:

Border
Children's Health Center/Providence Memorial Hospital
El Paso Federation of Families
El Paso First Health Plans
El Paso Pediatric Society
Superior Health Plan
SW Youth Empowerment Services (SW-YES)

Fort Worth:

Catholic Charities, Diocese of Fort Worth
Cook Children's Health Care System
Cook Children's Medical Center
Cook Children's Health Plan
Mental Health Association of Tarrant Co.

Galveston:

Galveston County Medical Society
UTMB Choice One

Houston Area:

The ARC of Greater Houston
Asian American Health Coalition of Greater Houston, Inc.
Bluegate Corporation
Catholic Charities of the Archdiocese of Galveston-Houston

Center for Faith and Health Initiatives
Child Care Council of Greater Houston, Inc.
ChildBuilders
Children at Risk
Children's Memorial Hermann Hospital
Community Doula Program
DePelchin Children's Center
Family Services of Greater Houston
Family Life Ministry, Archdiocese of Galveston-Houston
Coalition for the Homeless of Houston/Harris County, Inc.
Collaborative for Children
Gateway to Care
Harris County Healthcare Alliance
Harris County Hospital District
Healthcare for the Homeless – Houston
Houston-Harris County Immunization Registry, Inc.
Houston ISD Health and Medical Services
Houston Parks and Recreation
IntraCare Medical Center Hospital
IntraCare North Hospital
Legacy Community Health Services, Inc.
The Living Bank
Lone Star Community Health Center, Inc.
Neighborhood Centers, Inc.
Memorial Hermann Healthcare System
Mir, Fox & Rodriguez P.C.
National Association of Hispanic Nurses / Houston Chapter
Northwest Assistance Ministries
One Voice: A Collaborative for Health and Human Services
Park Yellowstone YMCA
San Jose Clinic
Sisters of Charity of the Incarnate Word
Strategy Source
Texas Children's Health Plan
Texas Children's Hospital
United Way of the Texas Gulf Coast
UroMed, Inc.
Waymaker Life Strategies, Inc.
YMCA of Greater Houston

San Antonio Area:

Any Baby Can – San Antonio
Community First Health Plans
Child Advocates San Antonio
Christus Santa Rosa Children’s Hospital
Methodist Children’s Hospital
San Antonio Food Bank
San Antonio Nonprofit Council
Sante Pediatrics
Sante Rehabilitation Group
United Way of San Antonio & Bexar County
Voices for Children of San Antonio

Smart Start Child Care Association (Waco)
Smithville Community Clinic
South Plains Community Action Association, Inc. (Lubbock, Level-
land)
Texas Neighborhood Services (Weatherford)
Trinity Clinic (Tyler)
Trinity Mother Frances Health System (Tyler)
United Way of Hays County

Other Regions:

Any Baby Can – Texas Hill Country (Kerrville)
Big Bend Community Action Committee, Inc. (Marfa)
Children’s Defense Fund – Rio Grande Valley
Combined Community Action, Inc. (Giddings)
Community Action Committee of Victoria, Texas
Community Action Corporation of South Texas (Alice)
Community Action Council of South Texas (Rio Grande City)
Community Action, Inc. of Hays, Caldwell, and Blanco Counties
Community Council of Reeves County (Pecos)
Covenant Health System (Lubbock)
First United Methodist Church – Women’s Discussion Group
(Denton)
Hill Country Community Action Association, Inc. (San Saba)
Henderson Memorial Hospital (Henderson)
Helping Restore Ability (HRA, Arlington)
Infant and Toddler Intervention Program (Collin, Denton, & Wise
Counties)
Mark 4 (Lewisville)
McLennan County Youth Collaboration (MCCYC - Waco)
Migrant Health Promotion (Progreso)
Mother Frances Hospital (Tyler)
N.E.T. Opportunities, Inc. (Mt. Vernon)
Panhandle Community Services (Amarillo)
Potter’s Vessel Ministries (Waco)
St. Joseph Health System (Bryan)



April 19, 2007

Dear Member of the Texas Senate,

We do not inherit the world from our ancestors, but borrow it from our children. Texas children are a precious resource, and alleviating barriers so they may receive the highest quality healthcare demonstrates that we care for our future.

The Christian Life Commission supports HB 109, the bipartisan compromise on CHIP because it is not only morally right but also economically smart.

HB 109 maximizes CHIP's higher federal matching rate. Since 1998, Texas has forfeited to other states approximately \$900,000,000 in federal CHIP funding that could be used to fund health insurance for low income children. This hurts local governments, taxpayers, and health providers who must pick up the tab with no help from matching funds. However, reinstating 12 months of continuous coverage will significantly improve this problem.

Texas receives \$2.64 in federal matching funds for every state dollar invested in CHIP, which is considerably higher than the federal Medicaid match of \$1.55 per state dollar. In fact, because of this difference, the Health and Human Services Commission estimates a net savings of over \$33 million to Texas when more children qualifying for CHIP reduces the number of children in Medicaid.

The 12-month eligibility provision will save the state a significant amount of money. A study by the Texas Children's Health Plan found that the longer a child is enrolled in CHIP, the lower the cost of care per child, since children with chronic conditions are better managed and do not rely on the ER.

HB 109 is also medically smart and morally right. The 12-month continuous eligibility allows children to maintain a medical home, which is especially critical in the child's first years as vaccinations and check-ups are more frequent.

Texas children should receive regular, preventative care, and 12-month continuous coverage encourages families to use appropriate primary health care for their children. Uninsured children are 10 times more likely than insured children to miss out on needed medical care for common illnesses such as ear infections and asthma, which increases a child's likelihood of chronic and costly illnesses. Long illnesses are bad for the state economically, and more importantly, dangerous for the child not receiving proper healthcare.

HB 109 is a fair and just solution to Texas' recent significant drop in CHIP enrollment. Since January 2003, CHIP enrollment has dropped by 200,000 children. It is time for Texas to move forward and invest in its children. Passing HB 109, including the 12-month continuous coverage provision, will ensure that Texas is a state where all children can grow and thrive.

Sincerely,

A handwritten signature in cursive script that reads "Suzii Paynter".

Suzii Paynter
Director, Christian Life Commission



221 E 9th St #403, Austin, TX 78701, 512.472.3903, www.texasimpact.org



For immediate release April 19, 2007
For more information contact Bee Moorhead—512.636.3135

Texas Religious Groups Urge Senate: “Keep CHIP Reform On Track”

AUSTIN--Representatives of Texas Impact and Methodist Healthcare Ministries (MHM) today said faith communities remain completely united in their support for restoration of the Children’s Health Insurance Program (CHIP) and encouraged lawmakers to reach a swift compromise on a key eligibility provision that is stalling consideration of CHIP reform legislation.

The religious advocates delivered nearly 10,000 postcards to Lt. Governor David Dewhurst calling for CHIP restoration. The postcards, signed by members of religious communities throughout Texas, represent the latest installment in a campaign that has generated more than 38,000 cards over the past three years.

“The fate of CHIP reform and access to healthcare for tens of thousands of kids lies entirely with the Senate at this point,” said Bee Moorhead, executive director of the interfaith grassroots network Texas Impact. “The House has passed legislation and backed it up with dollars in the budget, but the process could stall out in the Senate if House Bill 109 doesn’t get a committee hearing soon.”

Senator Leticia Van de Putte of San Antonio, a constant champion for CHIP and author of Senate Bill 81, the companion bill to HB 109, said "The Lt. Gov. and Senate want to reduce the amount of children who have no health insurance in our State and I am optimistic our goals will be met."

Texas Impact and MHM representatives also distributed oversized postcards to every senator with a simple message: keep CHIP legislation moving.

“Texas has forfeited over \$913 million for CHIP. This is money that the Legislature is refusing to use because it requires a state match. For every dollar Texas refuses to invest, we lose \$2.63. How is this fiscally responsible?” asked Kevin Moriarty, CEO of Methodist Healthcare Ministries.

"Insuring the children of working Texans, instead of sending those children to the emergency room, is a fiscally conservative policy that benefits all Texans," said Senator Kip Averitt of Waco, author of a bill that restores 12-month eligibility and co-sponsor of the legislation that created CHIP in 1999.

Moorhead said CHIP advocates’ recent conversations with Lt. Governor Dewhurst are encouraging, but noted that time is running out for legislative action. “We understand that the Lt. Governor and Senate leaders support 12-months continuous eligibility as long as there are sensible program integrity provisions in place to prevent fraud, which is completely reasonable. The important thing is that fraud prevention doesn’t place undue burdens on families, and clearly there are ways to achieve that objective. We urge the Senate to craft their solution quickly and get CHIP legislation moving again. It would be far too easy at this point in the process for the best intentions to become victims of the clock, and Texas kids deserve much better than that from the leaders who are elected to protect them,” said Moorhead.

"With a \$14.3 billion surplus, now is the time to cover kids with CHIP. Let's do right by children," said Senator Eliot Shapleigh of El Paso.

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TEXAS CHAMBERS OF COMMERCE AND BUSINESS LEADERS SUPPORT CHIP RESTORATION

Greater Austin Chamber of Commerce

“Texas should fund the Texas Medicaid/CHIP programs at a level that maximizes the availability of federal matching funds and reduces the frequency for families to reapply from the current six months back to every twelve months. We believe the Texas Legislature should implement policies to enroll every eligible child in Medicaid/CHIP. If low-income individuals are not covered under the CHIP and Medicaid programs, the cost of care is shifted to Texas residents and businesses in the form of higher hospital district taxes, higher private insurance premiums or an increase in other local healthcare dollars.”

Greater Dallas Chamber of Commerce

“High quality medical care is a key component in recruiting businesses and talent to the greater Dallas area. However, if current trends continue, access to healthcare will decline and costs to business will increase. To ensure our region remains competitive, the Greater Dallas Chamber advocates programs that enhance the education, research and patient care missions of our region’s health care providers, its health science universities, and affiliated teaching hospitals. The Greater Dallas Chamber thereby urges the Texas Legislature to contain the cost of healthcare to business by: fully restoring Medicaid/CHIP rates, proper eligibility requirements and funding for caseload projections at levels that maximize federal matching funds.”

Greater Houston Partnership

“With almost 1.4 million children in Texas uninsured, and over half of those eligible for either CHIP or Medicaid, we must make every reasonable effort to find coverage. Currently, we are missing a cost effective opportunity to enroll children from eligible families in either Medicaid or CHIP. Our federal government provides a generous matching program to help us provide coverage that we are failing to tap under present eligibility and enrollment standards.”

Greater San Antonio Chamber of Commerce

“The Greater San Antonio Chamber of Commerce supports legislative efforts to significantly improve Texas’ high percentage of uninsured, funding the Texas Medicaid/CHIP programs to maximize federal matching funds, policies to enroll every eligible child in Medicaid/CHIP and Medicaid provider rates reaching parity with Medicare payment rates.”

Metro 8 Chamber of Commerce

“The Metro 8 Chambers of Commerce support the creation of a state plan to address the complex problem of the uninsured, as Texas leads the country in uninsured citizens at 25+%. This issue has an impact on health insurance affordability, access to healthcare services, and the business environment. The Metro 8 supports funding the Texas Medicaid/CHIP programs at a level that maximizes the availability of federal matching funds. We believe the Legislature should implement policies to enroll every eligible child in Medicaid/CHIP. If low-income individuals are not covered under the Medicaid program, the cost of care is shifted to Texas residents and businesses in the form of higher hospital district taxes, higher private insurance premiums or an increase in other local healthcare dollars.”

Metro 8 Chambers of Commerce (Represents the Chambers of Commerce for the eight largest cities in Texas, including Arlington, Austin, Corpus Christi, Dallas, El Paso, Fort Worth, Houston and San Antonio. Over 60 percent of Texans reside in these areas.)

U.S. Senator Kay Bailey Hutchison

“As a matter of simple fiscal conservatism, I hope Texas will, in the future, take full advantage of available federal matching funds to bolster our state health care system and relieve increasing pressure on taxpayers who fund county hospitals. CHIP, given the available match, makes sense for our children’s health and economic sense for our taxpayers.”


**Resolution of the Executive Committee In Support of
Legislation to Restore CHIP**

The Greater Houston Partnership supports legislation which expands the Texas Children's Insurance Program (CHIP) including twelve month eligibility. CHIP promotes the health and well-being of the region's children and the economic health of our region. Access to health coverage helps maintain a healthy business climate for Texas employers by providing cost-effective, preventative care for children. The health costs of the uninsured has become an economic burden of the business community through property taxes and lost of productivity of workers with sick family members. Therefore cost-effective health care options are essential to our economic growth.

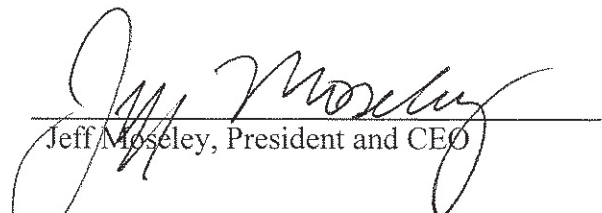
The Greater Houston Partnership urges lawmakers to support policies which establish this region as one of the leaders in public healthcare and result in economic growth and prosperity for the region.



John D. Holmeister, Chairman



Daniel J. Wolterman, Secretary



Jeff Moseley, President and CEO



GREATER HOUSTON PARTNERSHIP
Chamber of Commerce • Economic Development • World Trade

March 8, 2007

The Honorable John Davis
Chair, Subcommittee on Health and Human Services, House Appropriations Committee
Texas House of Representatives
P.O. Box 2910
Austin, TX 78768-2910

Dear Chairman Davis;

You are to be commended for your leadership in filing HB 2049 to restore the Texas Children's Health Insurance Program (CHIP) and fighting to secure necessary funding to expand the program. Enhancing eligibility and enrollment requirements so that Medicaid and CHIP cover as many deserving Texas children as possible is both the right thing to do economically for our region and state, as well as for the health and well-being of our children. Please know that the Greater Houston Partnership stands firmly behind you in this endeavor.

With almost 1.4 million children in Texas uninsured, and over half of those eligible for either CHIP or Medicaid, we must make every reasonable effort to find coverage. Currently, we are missing a cost effective opportunity to enroll children from eligible families in either Medicaid or CHIP. Our federal government provides a generous matching program to help us provide coverage that we are failing to tap under the present eligibility and enrollment standards.

We fully understand that during the last two legislative sessions, it was financially challenging to balance the state budget and provide all the services to Texas children we would have liked. But now that revenue exists, it is unconscionable to not prioritize the health and well-being of children first. Research and good common sense teach us that insured children tend to be healthier children because they can access timely health care services in appropriate settings. Healthy children and healthy families lead to healthy communities and a healthy business climate.

Thank you Representative Davis, for stepping out to take on the challenge of covering uninsured children! If there is anything we can do to further support your efforts to improve the health and well-being of Texas children, please do not hesitate to ask.

Sincerely,

Jim Edmonds
Chair, Health Care Advisory Committee, Greater Houston Partnership
Chair, Memorial Hermann Hospital System Board

cc: Tom Craddick, Texas Speaker of the House
Warren Chisum, Texas State Representative

Amarillo

Amarillo Globe-News

Reform needed to get - and keep - kids on CHIP rolls

Dr. Meganne Walsh

Ten years ago this month, Texas legislators established the Children's Health Insurance Program to provide low-cost health care coverage for children of working families that earn too much money to qualify for Medicaid (health care for the poor) but not enough to afford private insurance.

CHIP was an immediate success and is an especially important program for Texas, which has the highest percentage of uninsured children in the nation.

As a doctor, I see firsthand how CHIP keeps kids healthy by providing full, regular check-ups; immunizations; prescription drugs; lab tests; X-rays, hospital visits; and more.

CHIP also is a good investment for Texas. For every dollar Texas invests in CHIP, it receives \$2.64 in matching funds from the federal government.

More importantly, children on CHIP receive regular care so that they miss less school, their parents miss less work to care for them, and they don't rely on county emergency rooms for treatment. This saves local taxpayers money and keeps the cost of private insurance premiums down for everyone.

However, not all of CHIP's 10 years have been good ones. Because of budget cuts in 2003, 180,000 children lost CHIP coverage. More recently, the state's attempt to cut state workers and privatize the way families enroll in benefits created expensive bureaucratic red tape, kept 69,000 children from receiving medical coverage through Medicaid, and created new problems for thousands of additional children on CHIP.

Kendolyn Richardson from McLean is one of the many Panhandle children who have lost health insurance due to enrollment problems. She is one of my patients. Twice, Kendolyn was denied CHIP when the system misclassified her as being on Medicaid. She was uninsured for several weeks while her mother tried to straighten out the mistake, and childhood infections went untreated.

Nine-year-old Tommy Shelton, from Carrollton, is another child who wrongly became uninsured. Tommy suffers from juvenile diabetes and Graves' disease. He lost CHIP for four months this past year as his mother attempted to wade through the bureaucracy of the new system to renew his coverage.

While Tommy was uninsured, his parents could not afford treatment for his Graves' disease, and he had to cancel several doctor's appointments.

Without treatment, his condition spiraled out of control. He became hyperactive, unable to sleep at night, and exhausted. His grades dropped from A's to D's.

After four agonizing months, Tommy is back on CHIP and receiving medical care for his conditions. He is back to playing basketball and getting good grades. Not only that, but legislators recently ended the private contract that administered CHIP enrollment and are now working to fix the enrollment process. Things are looking up.

Unfortunately, thousands of children who currently qualify for health insurance through CHIP or Medicaid are not enrolled.

Many families are unaware that they qualify for the program, and the enrollment process deters others. If Texas enrolled every eligible child in Medicaid and CHIP, it would cut the number of uninsured Texas children in half (from 1.4 million to 700,000).

This legislative session, it is time for Texas to provide comprehensive health care to all eligible children and make it easier for working families to enroll in the program.

By allowing families to confirm eligibility once a year instead of twice a year and eliminating the 90-day waiting period it currently takes for uninsured children to get health insurance, the Legislature can reduce drastically the number of uninsured Texas children.

Not only that, but a family should be allowed to deduct child care expenses when calculating income. Asset levels should be raised so that a parent's used car or an insurance check for home damages incurred by Hurricane Rita don't prevent a child from getting health insurance. This actually was the case for 17-year-old Jason Everett from Arlington, who lost his coverage last year after his mom bought a 2003 Ford truck to transport the wheelchair she uses to manage her multiple sclerosis.

This put the family \$50 over the CHIP income level.

Nine-year-old Tina Garcia from Beaumont lost CHIP after her family was issued an insurance check to rebuild their Hurricane Rita-ravaged home.

Reforming and expanding CHIP is a responsible way to make Texas' health care system more effective and save taxpayers money.

It also will ensure that Texas children grow up healthy and productive and that the economy stays strong.

Let's make CHIP's 10th birthday its best ever - for Texas.

— Dr. Meganne Walsh is an Amarillo pediatrician

Austin

Austin-American Statesman

Thursday, April 12, 2007

Bentsen: Senate leaders must step up and restore CHIP

Lan Bentsen, CHILDREN'S DEFENSE FUND

We owe thanks to the state House leadership for passing House Bill 109, which would boost the Children's Health Insurance program, including the critical 12-month continuous coverage. CHIP, which serves the citizen children of the working poor, is 70 percent financed by federal matching funds. The bill was written by Reps. John Davis, R-Houston, and Sylvester Turner, D-Houston. It was blessed by House Speaker Tom Craddick, R-Midland. It beat back all amendments because it was the compromise bill. And it passed in a landslide, 128-17.

The state Senate, however, is another matter. As of now, there is no sign from the leadership. No compromise bill has been put forth. The silence is deafening. One cynic speculated that it had been decided to allow House members to have cover by voting for the bill, knowing they had the votes in the Senate to gut it later. That would be clever politics. But that would also be a travesty. And it certainly would not be leadership.

Leadership stands up. Leadership seeks out that which is best for the taxpayers and the future of Texas. Leadership realizes that good public policy is not about minimizing taxes or maximizing services, but optimizing our collective after tax well-being. Leadership looks at the fiscal impact of legislation by taking into account the impact on Texas taxpayers at the local, state and federal level.

It is time for the Senate leadership to step up. Senators should restore CHIP, including 12-month continuous coverage; deny amendments that would serve to weaken the intent; recognize that the tax-paying business community wants to fully restore CHIP and maximize federal

matching funds; and recognize that the tightening of criteria in 2003 led to an administrative debacle that cost taxpayers hundreds of millions of dollars in federal matching funds and denied coverage to tens of thousands of qualified applicants.

So far, the only defense one hears is that “we are trying to prevent fraud.” Wasting hundreds of millions of hard-earned taxpayer dollars in a bid to deny a \$40 per month benefit is indefensible. Texas taxpayers see that clearly, and the Senate leadership should see that as well.

Bentsen is the co-founder of a Houston-based oil and gas company and a member of the Children’s Defense Fund Texas Advisory Board.

Austin-American Statesman

Friday, April 06, 2007

Texas health care gets welcome House call

This week’s vote on the state’s Children’s Health Insurance Program demonstrated a refreshing bipartisanship among members of the Texas House, who came together to pass reasonable measures to improve the health care of Texas children.

Now it’s up to the Senate to finish the job of expanding health coverage for lower-income children.


We call House Bill 109 reasonable because it would add 100,000 more children to the rolls of the CHIP program. That’s a smart thing to do, considering the enormous number of kids who lack health insurance and the expense local communities bear in addressing their health needs. Texas has the dubious distinction of being No. 1 in the nation when it comes to the percentage of children who are uninsured — about one in five. Any successful effort to reduce those numbers is welcome. But by investing in CHIP, which allows the state to leverage federal dollars, the state actually lowers the costs to counties, cities and other local entities that get stuck with the bills. Those expenses otherwise are passed on to local residents, who pay higher taxes for hospital bills, emergency room care or other costs of caring for uninsured patients.

Most House lawmakers seem to have gotten the message that the CHIP program is not for slackers. CHIP insures the children of working parents who earn too little to afford private health insurance. They also understand that the program is a bargain: For every dollar CHIP spends in Texas, the federal government pays 72 cents and the state pays 28 cents.

Unlike states, counties don’t have the authority to leverage federal dollars for CHIP, so they get saddled with the full expense of caring for the uninsured. It’s no wonder that House Bill 109 has won endorsements of nearly every major city’s chamber of commerce, including Austin, Dallas, Houston, San Antonio and El Paso.

Several years ago, lawmakers unwisely slashed the hugely successful health insurance program by crafting measures that made it tougher to qualify for and remain in the program. They rightly reversed course this year in the bill authored by state Rep. Sylvester Turner, D-Houston, that restored many of those cuts. The bill would eliminate the 90-day waiting period for uninsured children, permit families to deduct child-care costs when determining eligibility and allow families to stay in the program for 12 months at a time rather than having to reapply every six months.

The latter provision, more than any other, pushed children off CHIP rolls. Before the cuts, Texas had about 500,000 children on CHIP. That has declined to about 325,000. Requiring parents to apply every six months is inefficient and it increases paperwork and expenses for processing applications.



Bad things can happen when the system breaks down. The Texas Children's Defense Fund cites the case of Devante Johnson of Houston, who had advanced kidney cancer and went without coverage for four critical months last year while his mother attempted to renew his CHIP coverage.

His mother, Tamika Scott, submitted at least five complete renewal applications, but the forms were lost in red tape, and she was unable to restore his coverage. Devante died last month of complications from the disease. He was 14.

Restoring cuts would cost only \$78 million in a \$150 billion two-year budget. Yet Republican Lt. Gov. David Dewhurst has said he opposes the most important restoration — allowing children to enroll for 12 months.

Dewhurst has positioned himself as a protector of children, introducing “Jessica’s law,” which mandates the death penalty for repeat child sexual offenders. But there will always be a question about his commitment toward children if he continues to support a provision that leaves so many children without health care coverage. We urge him to back House Bill 109. Do it for the children’s sake.

Corpus Christi

Corpus Christi Caller-Times

April 8, 2007

Lawmakers must make CHIP program whole.


Ill-considered changes imposed by the Legislature in 2003 were a disservice to Texas children; it’s time for a turnaround.

When kids get sick, parents shouldn’t have to decide whether they can afford to take them to the doctor. But that’s the decision that parents whose children don’t have the protection of health insurance must make. For thousands of children in Texas and millions in the United States, that decision has been easier because of the federal Children’s Health Insurance Program, which is aimed at low-income working families.

Now, in Austin and in Washington, legislators are debating just how much protection is enough. If the outcome is the right one, both Congress and the Texas Legislature will tell parents that the good health of the nation starts with good health insurance coverage for their children. One victory toward that end was achieved this week in Austin when the House overwhelmingly passed a measure that undoes the red tape that has kept some 100,000 low-income children off the rolls of the state program. The measure is an attempt to roll back the short-sighted tightening of eligibility requirements adopted by legislators in 2003 when the state faced a budget shortfall. By forcing low-income parents to qualify every six months instead of yearly, then adding on a 90-day waiting period before benefits kick in, the restrictions had the effect of forcing parents off the rolls. A disastrous experiment with a privatized eligibility vendor only aggravated the frustration of parents and health providers.

CHIP is no freebie. Unlike Medicaid, the health insurance for the poor, CHIP parents have to pay premiums based on income. Created 10 years ago by a Democratic president and a Republican Congress, CHIP was designed to help parents who don’t qualify for poverty programs, but who can’t afford private or employer health insurance. Nationally, more than 4 million children are covered by the program.

But the program faces challenges. In the Texas Senate, where the House bill now goes, key



Republicans, among them Lt. Gov. David Dewhurst, argue that tighter eligibility requirements screen out families who could afford to buy their own health insurance. This is losing dollars to chase pennies. The families who would be forced off the rolls by continuing the red tape would go to local emergency rooms where local taxpayers would foot the bill.

The same myopic view prevails at the White House which believes that states - not Texas - have covered more children than was the “original objective” of the program, which is now up for reauthorization by Congress. The White House wants to freeze spending on the program. But how can too many children be covered when it is estimated that nationally 8 million children remain uninsured and Texas still ranks first among the states in uninsured children?

Congress and the Texas Legislature should rid themselves of the notion that it's OK to help children, but not too much.

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The big question is whether CHIP is operating as intended.

Sixteen states cover families making more than twice the poverty limit. And both the Clinton and Bush administrations let some states experiment with covering pregnant women, other parents and some childless adults. (Congress restricted any new programs like that.) The Government Accountability Office reported that the nationwide CHIP enrollment of 6 million includes 639,000 adults.

Maybe states shouldn't be able to overextend the CHIP umbrella. But if federal lawmakers intend to curb governors ingenuity, they should get busy with a better way to bring coverage to more uninsured.

— Caller.Com

Legislature must take action to improve CHIP coverage

By Dr. Mary Dale Peterson

April 3, 2007

Ten years ago this month, Texas legislators established the Children's Health Insurance Program to provide low-cost health care coverage for children in working families who earn too much money to qualify for Medicaid, but not enough to afford private insurance. CHIP was an immediate success. It has become an important program for Texas, which has the highest percentage of uninsured children in the nation.

As a doctor, I see how CHIP keeps kids healthy by providing full regular checkups, immunizations, prescription drugs, lab tests, X-rays, hospital visits and more. CHIP is also a good investment for Texas. For every dollar that Texas invests in CHIP, it receives \$2.64 in matching funds from the federal government.

Children on CHIP receive regular care. They miss less school, their parents miss less work to care for them, and they don't rely on county emergency rooms for treatment. This saves local taxpayers money and keeps the cost of private insurance premiums down for everyone.

But not all of CHIP's 10 years have been good ones. As a result of budget cuts in 2003, 180,000 children lost coverage. Recently, the state's attempt to cut state workers and privatize the way families enroll in benefits created red tape, kept 69,000 kids from receiving medical coverage through Medicaid, and created new problems for thousands of additional children on CHIP.

Nine-year-old Tommy Shelton, from Carrollton, near Dallas, was one of these children. He suffers from juvenile diabetes and Graves' Disease. He lost CHIP for four months last year as his mother attempted to wade through the bureaucracy of the new system to renew his coverage.

While he was uninsured, his parents could not afford treatment for his Graves' Disease and he had to cancel several doctor's appointments. Without treatment, his condition spiraled out of control. He became hyperactive, unable to sleep at night, and exhausted. His grades dropped from As to Ds.

After four agonizing months, Tommy is back on CHIP and receiving medical care for his conditions. And he is back to playing basketball and getting good grades.

Legislators recently ended the private contract that administered CHIP enrollment and are now working to fix the enrollment process. Things are looking up.

Unfortunately, thousands of children who qualify for health insurance through CHIP or Medicaid are not enrolled. Many families are unaware that they qualify for the program, and the enrollment process deters others. If Texas enrolled every eligible child in Medicaid and CHIP, it would cut the number of uninsured Texas kids in half, from 1.4 million to 700,000.

This legislative session, it is time for Texas to provide comprehensive health care to all eligible children, and make it easier for working families to enroll in the program. By allowing families to confirm eligibility once a year instead of twice and eliminating the 90-day waiting period it takes for uninsured children to get health insurance, the Legislature can drastically reduce the number of uninsured Texas children.

Families should be allowed to deduct child-care expenses when calculating income. Asset levels should be raised so that a parent's used car doesn't prevent a child from getting health insurance. This actually was the case for 17-year-old Jason Everett from Arlington. He lost his coverage last year after his mom bought a 2003 Ford truck to transport the wheelchair she uses to manage her multiple sclerosis. This put the family \$50 over the CHIP income level.

Reforming and expanding CHIP is a responsible way to make Texas' health care system more effective and save taxpayers money. It will also ensure that Texas children grow up healthy and productive and that the economy stays strong. Let's make CHIP's 10th birthday its best ever - for Texas.

— Dr. Mary Dale Peterson is president and CEO of Driscoll Children's Health Plan.

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Dallas


Dallas Morning News

April 15, 2007

Thanks for CHIP changes (April 15, 2007)

I would like to celebrate the recent approval of HB 109 by the Texas House of Representatives. This important piece of legislation proposes to reinstate many tenets of the Children's Health Insurance Program that were cut in September 2003. I urge the Texas Senate to follow the example, do the right thing and pass the bill as is!

I work with families every day who benefit from CHIP. These are hard-working families that have jobs that don't offer health benefits or offer cost-prohibitive benefits. With CHIP, families get affordable, comprehensive health coverage for their children. CHIP allows families to get yearly checkups and immunizations to keep their children healthy and minimize the spread of com-



municable diseases. They can afford monthly prescriptions for chronic illnesses, such as allergies and asthma, minimizing visits to the emergency room. CHIP offers parents peace of mind, knowing that if anything happens, they will be able to afford quality health care for their children.

This isn't about politics; it is about doing what is right for our children.

— Sonia White, director, Nurture Knowledge and Nutrition, Central Dallas Ministries, Dallas

Let's be fair to all children (Sunday, April 1)

In 2003, Texas took a huge step backward by limiting Children's Health Insurance Program eligibility to six-month cycles and increasing paperwork barriers for parents.

Children with every serious medical disorder were coldly knocked off the rosters, with no avenue for appeal. Texas already ranked last for percentage of children with health insurance. Is there a 51st place?

Currently, HB 109 is working its way through the maze we call the Legislature. Sadly, this bill is opposed by interest groups who don't know or don't care how seriously children are being harmed by our six-month eligibility system.

As a pediatric sub-specialist, I routinely see my young diabetes patients lose their life-sustaining medications when CHIP drops them without appeal. The system is desperately broken, and our kids, our future, pay a high price for our shortsightedness.

HB109 is a conservative, practical way to insure more kids and derive far better use of limited state tax dollars than the hurtful system we use now.

— Stephen W. Ponder, director, Children's Diabetes and Endocrine Center of South Texas, Driscoll Children's Hospital, Corpus Christi

YWCA praises CHIP bill (April 11, 2007)

As CEO of an organization that is dedicated to empowering women, I couldn't be more proud of the approval of the Children's Health Insurance Program bill, HB109. Empowering women and families to care for their children - our most precious and vulnerable citizens - is critical to these families' ability to operate as functional, productive and self-sufficient units.

The children who stand to benefit from CHIP legislation are by and large the children of working parents. Many of the single, working mothers served by YWCA do enroll their children in the CHIP program, and they are so grateful for its assistance. Providing these families with the benefit of 12-month CHIP eligibility is critical to keeping these children insured and getting them access to regular health care. Because of this, I strongly urge the Texas Senate to pass the bill as is. I am also grateful to all who are champions of this important bill.

— Barbara Mosacchio, CEO, YWCA of Metropolitan Dallas

Fort Worth

Fort Worth Star-Telegram

Editorial on Children's Health Insurance

March 11, 2007

The Childrens Defense Fund tells disturbing stories of families thwarted in their efforts to provide health care for their children.

There's a Texas family dropped from the Childrens Health Insurance Program after getting a check to repair Hurricane Rita damage to their home. Apparently, the extra money inflated their assets.

A kidney cancer patient had his insurance coverage lapse while processors lost his paperwork.

One family was overcharged for a copayment, then sent a dunning letter for money that wasn't owed.

Those examples help bolster the case that CHIP needs significant revisions to serve eligible children properly and to serve more of them.

Now 10 years old, the federal-state cost-sharing program could use an infusion of funds from both levels. While Congress weighs reauthorizing the program, and at what levels, Texas lawmakers rightly are considering rewriting rules and restrictions that have put up unnecessary barriers for families that want to protect their childrens health.

But there's no guarantee that the Legislature will do right by CHIP because of divisions over key issues.


CHIP provides insurance for children whose families earn too much to qualify for Medicaid but not enough to afford private health coverage. Under 2007 federal poverty guidelines, that's generally an annual income between \$20,650 and \$41,300 for a family of four. Texas got started late with CHIP, not allocating money for it until two years after Congress authorized the program with a 10-year funding scheme. That left Texas almost perpetually behind on collecting all the federal money available.

States have three years to draw down their share before the money is parceled to other states that have exhausted their allocations. Congress twice passed adjustments giving lagging states more time, but over the years, Texas still left millions unused.

It's not that CHIP hasn't been popular. Texas enrollment rose to more than 500,000 in 2003. But that's when lawmakers cut back services and made other changes, ostensibly to whittle a budget deficit and trim families that the state believed could find insurance elsewhere. Enrollment dropped to 291,530 in September 2006, according to the Health and Human Services Commission, and was up to 321,815 in January.

Dental, vision and mental health services were dropped in 2003 but eventually restored. And in this session, there's sentiment to expand the program to more eligible children. Among 30 bills (some identical) related to CHIP is one by Rep. John Davis, R-Houston, that would restore a one-year enrollment period (its now six months), deduct child-care expenses from assets calculations and reduce the number of applicants who must wait 90 days for coverage to start.

House Speaker Tom Craddick supports Davis measure. But Lt. Gov. David Dewhurst, who in 2003 tried to prevent the Legislature from shifting to re-enrollment every six months, now opposes a 1-year term.



State officials also are fretting about the potential costs of an unrelated court case involving Medicaid, which finances medical care for the poorest children. The state has spent years trying to avoid obligations from a class-action settlement that U.S. District Judge William Wayne Justice approved in 1996. The Supreme Court ruled unanimously in 2004 that the state was bound by the settlement, which called for better medical and dental services and outreach for the more than 2.7 million children eligible for the states Medicaid program.

But, instead of complying, the state has continued to pour money and time into legal maneuvering and resistance. Justice has set aside the week of April 9 for another hearing to determine what the state still must do.

Texas should meet its obligations to provide the kind of preventive health care that, in the long run, will help keep poor children healthier, in school and out of costlier emergency rooms. But additional Medicaid expenditures should not come at the expense of the low- and moderate-income families eligible for CHIP.

The Legislature should increase the CHIP appropriation to take advantage of more federal dollars. (Texas, spent almost \$372 million on CHIP in fiscal 2006: \$102.4 million in state dollars and \$269.4 million in federal money.)

It should return the enrollment period to one year, to ensure continuous coverage and cut down on needless processing. If the assets test remains, child-care costs should be exempted. (The Health and Human Services Commission has estimated that returning to 1-year enrollment, eliminating the assets test and making other changes could cost \$81 million over two years.) Congress, meanwhile, should make clear its continuing support for the program.

A bipartisan coalition of governors recently asked Congress for a quick addition of cash for 14 states that expect to run about \$735 million short this year. The states also want an overall funding increase that the Bush administration seems reluctant to make.

The federal government spends about \$5 billion annually on CHIP. President Bush has proposed remaining at that level, with an extra \$4.8 billion for the next five years. But the Congressional Budget Office estimates that it would cost almost three times that to maintain current enrollments and benefits.

Houston

***Houston Chronicle* Letters to the Editor**

CHIP provides favor for all of us (April 15, 2007)

As an early childhood teacher, I have witnessed in my classrooms the vital role played by the Children's Health Insurance Program in our community. The fact is that paying for medical care for children of low-income parents does all of society a big favor.

Those poor children who are healthy will have one less obstacle to overcome and they can learn and become productive members of society. The price we pay for preventive care for low-income children is borne by all of us.

If these children don't have an affordable doctor, they will end up in city hospitals' emergency rooms and that will end up costing taxpayers that much more; so it makes economic sense to support the CHIP program.

In addition, the red tape of applying for CHIP every six months means that more resources are devoted to the paper work than to serving the children! This is a burden for all of us.

Why not share a more realistic view of the future and the way that affordable medical care for all children contributes to our common good.

We should do the right and decent thing for our community and support funding for CHIP.

— Carla Martinez, Houston

Federal matching funds wasted (April 15, 2007)

As a school nurse in a large elementary school in Houston, I am puzzled by the loss of \$900 million in matching funds by the state of Texas by not spending what was needed for the health needs of our indigent children.

These children have not been well-served by the shorter term of six months of the coverage by the Children's Health Insurance Program. What benefit was supposed to come from making busy "working poor" parents re-apply for benefits, almost as soon as the first six-month term had been approved?

Processing errors and omissions have deprived more than a million eligible children of previous coverage. This caused even more costly hospitalizations of sick children, instead of the more economical primary care available in a pediatrician's office.

Why do taxpayers think losing \$900 million is a good thing? We should restore the coverage term for the children of Texas to the full 12 months.

In the long run, this will save taxpayers even more money. We should get the wider view.

— Cindy Dewstow, Houston

Staggered by CHIP statistics (Friday, April 6, 2007)

I am in favor of full restoration for the Children's Health Insurance Program. The statistics are staggering:

One in five Texas children - 1.4 million - are uninsured, the highest rate in the nation. More than 80 percent of uninsured children have at least one working parent, but private family health coverage costs more than \$900 a month, according to the Texas Department of Insurance. Of the 1.4 million uninsured children in Texas, half are eligible for but not enrolled in the Children's Health Insurance Program or Children's Medicaid. CHIP enrollment has dropped by 181,000 children since budget cuts took effect in September 2003, and Children's Medicaid has declined by 69,000 children since December 2005.

It costs \$40 a month in state funds per child, but this investment will generate more than \$213 million in federal matching funds.

— Ruby Ferguson, Houston

CHIP makes for good business (April 4, 2007)

There is no reason to keep listening to a bleeding-heart liberal such as myself when businessman Lan Bentsen made such a solid business case for the restoration and expansion of the Children's Health Insurance Program in Texas [see his April 2 Outlook article, "Texas children deserve full advantages of CHIP / State should restore earlier eligibility criteria").

One of my local tax dollars draws down \$2.64 in CHIP dollars from the federal government; a \$100 preventive visit for a child's asthma saves \$7,300 in hospitalization costs; and \$900 million is retained to defray the health care costs of our state's most vulnerable children. It makes great business and humanitarian sense.

-- Joe Rubio, vice president, Catholic Charities, Archdiocese of Galveston-Houston

San Antonio

San Antonio Express-News

April 20, 2007

CHIP should include full year of coverage

Deep cuts made to the Children's Health Insurance Program in 2003 have finally been restored.

The cuts never should have been made in the first place, but at least legislators saw fit to reverse that unwise policy. Now Lt. Gov. David Dewhurst is complicating efforts to repair this program that so many indigent Texans rely on for health care. He earlier said he's opposed to extending the coverage period from six months to 12 months, but he has signaled some willingness to craft a system that allows continuous coverage with monitoring, according to the *Express-News*.

As Rep. Garnet Coleman, D-Houston, pointed out recently, Dewhurst's provision "means that this program is more about policing families than providing families with health coverage." One of the changes made to CHIP in 2003 included shrinking the coverage period from one year to six months. Coupled with gouges in funding, enrollment dropped from half a million children to its current level of 325,000.

Of course, only the eligible should receive assistance. But it's doubtful the enrollment dip was due to families becoming suddenly self-sufficient. It's more likely that single and poor parents, struggling to make ends meet on a daily basis, find it challenging to fill out more government forms every six months. Dewhurst should know what that's like. The Lone Star Project, a Democratic group, reported recently that the lieutenant governor failed to file forms at least six times in recent years for several companies he owns or controls.

Dewhurst, typically a strong consensus builder, has bobbled this one so far.

The Senate should vote out a bill that extends the coverage period to a full year without undue harassment. Eligible families have faced more than enough obstacles in trying to obtain health coverage for their children. The state should be removing roadblocks instead of throwing them up.

San Antonio Express-News

April 13, 2007

Brenda Vickrey Johnson and Maribess Miller

Fiscal responsibility will keep CHIP healthy

Sometimes a dollar is just a dollar, but in the case of the Children's Health Insurance Program, \$1 equals \$3.64.

The fiscally responsible approach to funding a program in Texas should include the overall impact on the taxpayer at local, state and federal levels. For example, for each state dollar invested in CHIP, Texas receives \$2.64 in federal matching funds (which come, of course, from Texas taxpayers). And the reverse is true — if we do not put up the dollar, we lose our \$2.64 to other states.

So far, Texas has forfeited more than \$900 million in federal matching funds by not fully funding CHIP. These funds have been returned to the U.S. Treasury and spent by other states. The state sought to "save" money in 2003 by removing 180,000 children from CHIP coverage.

You saved a little in one pocket, but lost a lot in another pocket.

But the impact does not stop there. Cuts to CHIP and Medicaid affect the health and prosperity of every Texan and especially the pocketbooks of local taxpayers. When children lose coverage and end up in emergency rooms, local taxpayers pay 100 percent of the bill, without the support of federal or state matching dollars.

Emergency room care is far more costly than preventive investment. If a child with an asthma attack can see a doctor when an attack is still mild, he or she can be treated for about \$100. But if he or she has to go to the ER for treatment of full-blown symptoms, the child faces a three-day hospital stay that costs more than \$7,300, according to a 2006 survey of Texas hospitals.

Children without health insurance are 25 percent more likely to miss school because of illnesses, and Texas school districts lose \$4 million per day in funding because of absenteeism. Small businesses are also feeling the squeeze of rising health insurance costs and are often unable to provide dependent care for employees, as private health insurance premiums have increased by 87 percent the past six years.

It doesn't have to be this way. Before 2003 budget cuts, Texas had the most effective CHIP enrollment growth in the nation, with more than 500,000 children signing up and staying enrolled. CHIP was reducing the number of uninsured children and cutting emergency room use.

CHIP and Medicaid provide effective and cost-effective care for children at a cost 31 percent lower than private health insurance. Texas has the highest rate of uninsured children in the nation, with one in five children — 1.4 million — lacking coverage. More than 80 percent of these children live in working families, but private coverage is often too costly, averaging \$900 a month, according to the Texas Department of Insurance.

CHIP costs just \$40 a month per child in state funds. We can cover every eligible child for \$40 a month, or we can let the child go uninsured and pay for the \$7,300 hospitalization.

The Legislature should allow children to re-enroll annually instead of every six months. Requiring parents to renew their children's health coverage twice a year makes CHIP less effective and more expensive. The state spends double the money processing the same paperwork twice. We need to save that expense and insure more children.

Let's do the fiscally responsible thing by considering the impact on Texas taxpayers at the local, state and federal level. CHIP is a wise investment for the Texas economy, Texas children and Texas taxpayers.

Waco

Waco Tribune-Herald


Moment of truth for Texas on CHIP (April 4, 2007)

Kris Olson, guest column

Ten years ago this month, Texas legislators established the Children's Health Insurance Program (CHIP).

Its objective: to provide low-cost health care coverage for children in working families who earn too much money to qualify for Medicaid (health care for the poor) but not enough to afford private insurance.

CHIP was an immediate success. It was an especially important program for Texas, which has the highest percentage of uninsured children in the nation.



CHIP keeps kids healthy by providing full regular checkups, immunizations, prescription drugs, lab tests, X-rays, hospital visits and more. And CHIP is a good investment for Texas. For every \$1 Texas invests in CHIP, Texas receives \$2.64 in matching funds from the federal government.

More importantly, children on CHIP receive regular health care so that they miss less school, their parents miss less work to care for them and they don't rely on hospital emergency rooms for treatment. This saves local taxpayers money and keeps the cost of private insurance premiums down for everyone.

However, not all of CHIP's 10 years have been good ones. As a result of 2003 budget cuts, 180,000 children lost CHIP coverage. More recently, the state's attempt to cut state workers and privatize the enrollment process for families created expensive bureaucratic red tape, kept 69,000 kids from receiving medical coverage through Medicaid and created new problems for thousands of additional children on CHIP.

Nine-year-old Tommy Shelton, of Carrollton, was one of these children. Tommy suffers from juvenile diabetes and Graves' disease. He lost CHIP for four months last year while his mother waded through the bureaucracy of the new system to renew his coverage.

While Tommy was uninsured, his parents could not afford treatment for his Graves' disease and he had to cancel several doctor's appointments.

Without treatment, his condition worsened. He became hyperactive, unable to sleep and exhausted. His grades dropped from A's to D's.

After four agonizing months, Tommy is back on CHIP and receiving medical care for his conditions. He is back to getting good grades and playing basketball. Fortunately, legislators recently ended the disastrous private contract that administered CHIP enrollment and are now working to fix the enrollment process. Things are looking up.

Unfortunately, thousands of children who currently qualify for health insurance through CHIP or Medicaid are not enrolled. Many families are unaware that they qualify; the enrollment process deters others. If Texas enrolled every eligible child in Medicaid or CHIP, it would cut the number of uninsured Texas kids in half (from 1.4 million to 700,000).

This legislative session, Texas needs to provide comprehensive health care to all eligible children and make it easier for working families to enroll in the program.

By allowing families to confirm eligibility once a year instead of twice and eliminating the 90-day waiting period it currently takes for uninsured children to get health insurance, the Legislature can drastically reduce the number of uninsured Texas children.

Additionally, a family should be allowed to deduct child-care expenses when calculating income.

Asset levels should be raised so that a parent's used car or an insurance check for home damages doesn't prevent a child from getting health insurance.

Consider 17-year-old Jason Everett from Arlington. He lost his coverage last year after his mom bought a 2003 Ford truck to transport the wheelchair she uses to manage her multiple sclerosis. This put the family \$50 over the CHIP income level. Nine-year-old Tina Garcia from Beaumont lost CHIP after her family was issued an insurance check to rebuild their Hurricane Katrina-ravaged home.

Reforming and expanding CHIP is a responsible way to make Texas' health care system more effective and save taxpayers money.

It will also ensure that Texas children grow up healthy and productive and that the economy stays strong. Let's make CHIP's 10th birthday its best ever — for Texas.

— Kris Kaiser Olson, a former Waco Independent School District trustee,
executive director, Parents for Public Schools

Waco Tribune-Herald

Editorial: Over to Senate on CHIP

Friday, April 06, 2007

Four years ago Texas lawmakers made a \$913 million mistake.

Unbelievably, they made it under the guise of saving money.

What they did was put up obstacles to enrollment in CHIP — the Children's Health Insurance Program.

They also limited what it would cover.

They did their job too well. Over two years, 189,000 children dropped from rolls which had exceeded 500,000 by 2003.

Lawmakers stopped the bleeding somewhat two years later when they reinstated some of the services covered under CHIP. But key impediments remain, such as the requirement to re-enroll every six months rather than annually as before.

This week the Texas House voted overwhelmingly to take steps to add 100,000 children to the CHIP rolls. Included was a return to annual re-enrollment.

The House also voted to ease assets tests, and to give working families a credit for child care against income limits.

It now heads to an uncertain future in the Senate.

Lt. Gov. David Dewhurst, the Senate's presiding officer, has said he wants to keep the six-month requirement. That's unnecessary and unwise for a state that ranks last in the country in its percentage of insured people.

As one lawmaker pointed out, we don't even ask convicted first-time sex offenders to reregister with that regularity.

Supporters of the punitive six-month policy say it guards against insuring someone whose income has swung above the state threshold. This is a dubious concern. These are all working Texans. Short of winning the lottery, their income is not going to soar in a six-month period. Regardless, this is not health care. Families pay an enrollment fee and copayments. And remember, we are talking about insuring children — keeping them healthy, in school and out of the emergency room. All of that saves Texans money.

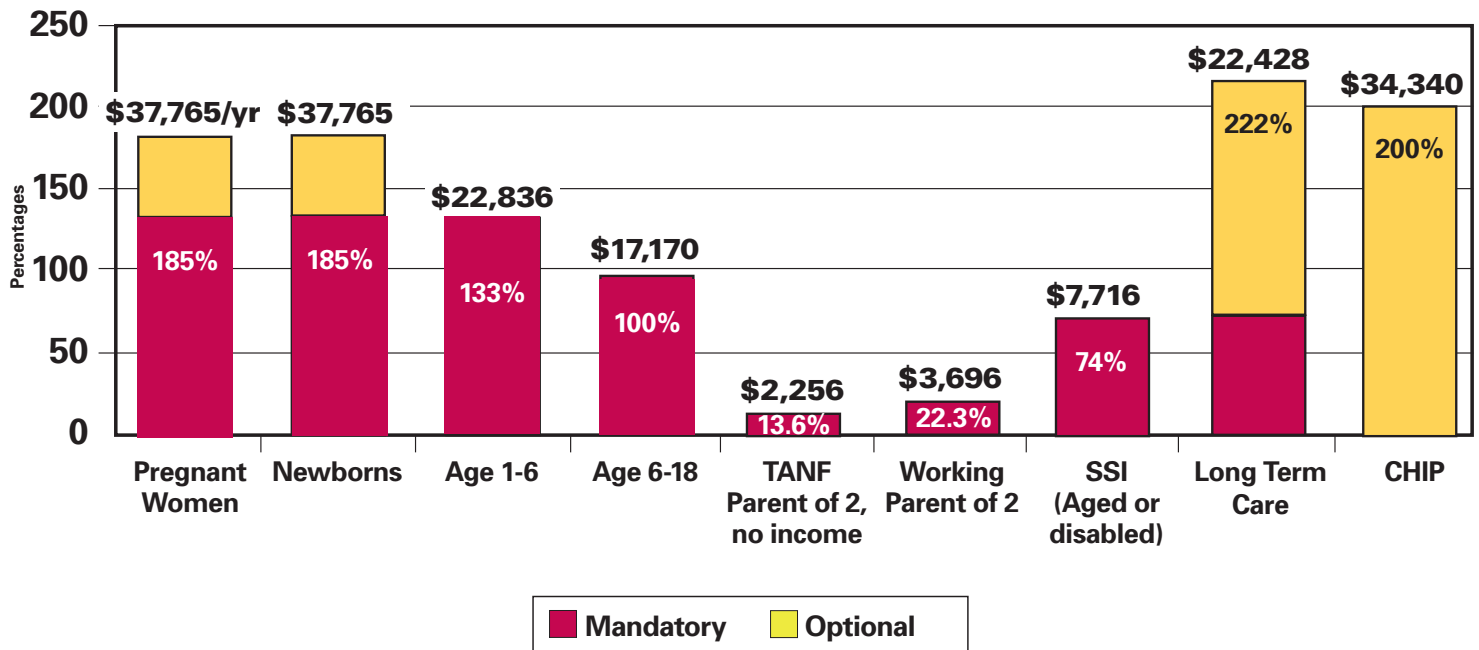
But if up-front dollar signs are all this is about, consider this:

The state receives \$2.64 in federal matching funds for every dollar it spends on CHIP. Over five years, that has amounted to \$913 million, spread across Texas communities like ours. Instead of putting the brakes on CHIP as it did in 2003, Texas should be setting its sights on getting every eligible child enrolled. If it did, this state could cut its uninsured children, now 1.4 million, in half.

What better objective?

To not take full advantage of this bargain would be utter folly.

Income Caps for Texas Medicaid and CHIP, 2007



Income Limit as Percentage of Federal Poverty Income Annual Income is for Family of 3, Except Individual Incomes Shown for SSI and Long Term Care

Fiscally responsible?

You do the math.

.28¢

the amount the state pays for every one dollar spent a child's health care through CHIP

\$893,000,000

the amount of federal CHIP funding Texas has forfeited to other states

\$2.64

the amount of federal match the state receives for every state dollar invested in CHIP

100%

the amount local taxpayers pay for the uncompensated care of an uninsured child without the support of federal matching funds which are available

.51¢

the amount local taxes must rise for every state dollar removed from the CHIP and Medicaid programs

\$33,768,000

the amount of savings to the Medicaid program when an increase in children enrolling in CHIP results in fewer kids in Medicaid

\$40

the approximate cost per month of providing a child health care through CHIP

5

an insured child is five times more likely to rely on emergency room treatment for routine care

10%

providers are able to recoup, on average, less than 10% of the cost of care for the uninsured

25%

the odds that an uninsured child is more likely to miss school because of illness

\$1.34

the amount of increase in private health insurance premiums for every one dollar in state funds removed from the CHIP and Medicaid programs

.72¢

the amount paid by the federal government for every \$1.00 the state spends on a child's health care through CHIP

Investing in CHIP is Good Business for Texas

February 2007

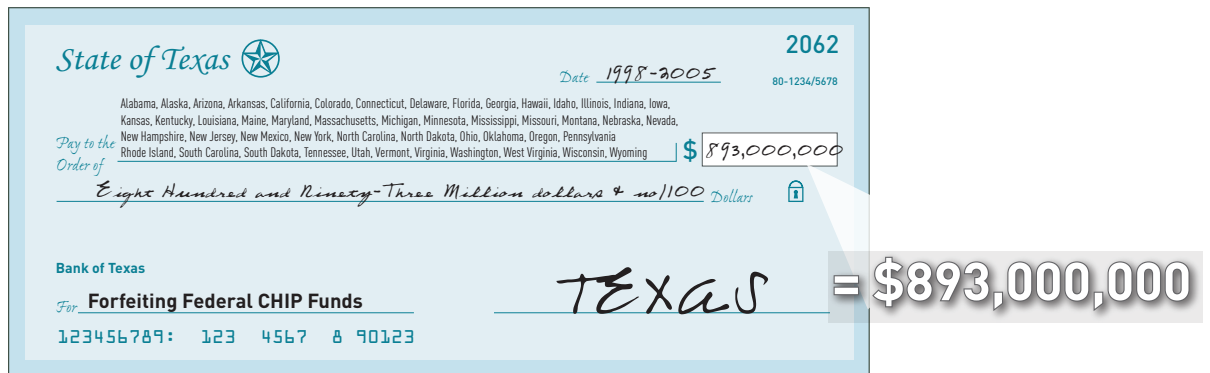
TAHP
Texas Association

The Best Deal in Town

Many consider the CHIP program “the best deal in town” when it comes to addressing the state’s growing population of uninsured children. Through its participation in the CHIP program, Texas receives \$2.63 in federal matching funds for every \$1 of state funding. In other words, for every \$1 spent on a child’s health care through CHIP, the state pays only 28¢.



Federal CHIP dollars not used by Texas are ultimately forfeited to other states for use in providing coverage to children in need. Texas remains near the top of states that forfeit federal CHIP funding losing approximately \$900 million in funding for children’s health care since 1998—almost a billion dollars.



Unintended Consequences

In May 2002, the Texas Children’s Health Insurance Program (CHIP) reached its peak enrollment of 529,211. Since that time, cuts in funding to the program combined with changes to the enrollment and renewal processes have resulted in a dramatic reduction in children receiving medical services.

While the changes to the program were aimed at increasing its accountability and efficiency, they have likely played a significant role in the disenrollment of CHIP recipients and the growth of uninsured children in the state. Texas remains one of only two states with an asset test for CHIP and it is the only state with a 90 day waiting period for those enrolled. The loss in federal funds as well as the resulting increase in uninsured kids created by these changes continues to have a negative impact not only on the poorest of children and their families but also on local government budgets, which often must pay for their care.

The Cost of Disenrollment

Reduced access to CHIP based health coverage doesn't mean a child's health care needs will go away. It simply means government is choosing a more expensive way of covering the health care costs of these children.

The apparent choice of providing more expensive care for low-income children is backed up by a 2004 study conducted for the State of Texas by the Institute for Child Health Policy (IHP) at the University of Florida. The study found that:

- 52 percent of disenrollees from the CHIP program became uninsured
- 31 percent of disenrollees joined the state's Medicaid program
- 11 percent obtained insurance through employer-based coverage.

The Legislative Budget Board (LBB) has also recognized the shift in higher costs by projecting a net savings to the state when an increase in children qualifying for CHIP results in fewer kids enrolling in Medicaid. This savings is a result of the higher federal match received for the CHIP program (\$2.63) compared to the Medicaid program (\$1.53). The LBB estimated that providing 12 months of continuous eligibility for CHIP coverage would produce approximately \$33 million in Medicaid savings over the '08-'09 biennium as a result of more children remaining in the CHIP program rather than shifting to Medicaid.

Compounding the results of more expensive care and lost federal dollars is the impact of disenrollment and the lack of insurance on local governments. Uninsured children are five times more likely than their insured counterparts to rely on more expensive emergency room care for basic medical needs. Often times families are able to pay little or nothing for such care forcing local governments to pick up the tab, with no matching CHIP funding. The combination of these costs has leaders at every level of government recognizing the value of the CHIP program not only to government budgets but also to the future of tomorrow's adults.

Investing in CHIP is good business for Texas. Not only does it provide the state 72¢ of every \$1 spent on health care for children but it provides tomorrow's adults with a greater chance for educational achievement, earning capacity, and long-term health.

SOLUTIONS:

- **Legislation providing for 12 months continuous eligibility for CHIP beneficiaries**
- **Legislation to simplify the enrollment and reenrollment for Texas children who qualify for CHIP through:**
 - Elimination of 90 day waiting period
 - Elimination of assets test
 - Increased use of technology
 - Enrollment by phone
 - Revising the asset verification process to avoid inappropriate barriers to enrollment
 - Coordination between the state's enrollment vendor and community-based organizations
 - Standardized enrollment fee for all applicants over 150 FPL
 - Income disregard for child support
- **Legislation providing for increased outreach to improve eligible Texan's awareness of the value of insurance.**