



March 31, 2022

Cecile Young, Executive Commissioner
Texas Health and Human Services
Delivered via email to: cecile.young@hhs.texas.gov

Re: Ensuring eligible children remain enrolled when routine renewals resume at the end of the Public Health Emergency

Dear Commissioner Young:

Our organizations are dedicated to improving access to health care for all Texans, and as such, we are grateful for the tireless efforts of Texas Health and Human Services Commission (HHSC) staff during the pandemic. Continuous Medicaid coverage has served as a bulwark for vulnerable Texans and the health care system during widespread pandemic-related disruptions. We anticipate that the federal Public Health Emergency (PHE) will be extended past its current expiration date of April 16, 2022, but that it will likely expire this year. When it does, HHSC will face the complex and unprecedented task of reviewing eligibility for most Texans with Medicaid coverage, the vast majority of whom are children in low-income families.

We stand ready to collaborate with HHSC on this critical task with the shared goals of 1) maintaining coverage for children, seniors, individuals with disabilities, and parents who are still eligible for Medicaid to prevent gaps in care; and 2) smoothly transitioning children and new mothers who are no longer eligible for Medicaid to other coverage like CHIP, Healthy Texas Women, or Marketplace insurance. A key to achieving these goals is to minimize the likelihood a procedural issue, such as not having an enrollee's correct address on file, will result in these Texans erroneously losing health coverage. Legislative leaders have made clear in recent legislative sessions that they share these goals, working to reduce the number of eligible Texas children that lose Medicaid for procedural reasons and ensuring continuity of care for new mothers in Medicaid and Healthy Texas Women Plus.

We appreciate the updates on HHSC's plan to unwind Medicaid continuous coverage presented to the Children's Health Care Coalition meeting on March 25. Furthermore, we are grateful that you have articulated goals we all share of maintaining coverage for eligible individuals, reducing churn, and reducing the risk of overwhelming the eligibility system and workforce. We are, however, concerned about the timeline proposed for initiating and completing renewals. According to a recent survey of state Medicaid programs,¹ Texas will be one of only 8 states attempting to unwind the PHE-related continuous eligibility provision without allowing up

¹ Kaiser Family Foundation, "Medicaid and CHIP Eligibility and Enrollment Policies as of January 2022: Findings from a 50-State Survey," March 2022, <https://files.kff.org/attachment/REPORT-Medicaid-and-CHIP-Eligibility-and-Enrollment-Policies-as-of-January-2022.pdf>.

to a year. Undoubtedly, taking a full year will have large fiscal implications to Texas – a very legitimate concern. At the same time, to achieve the aforementioned mutual goals, we believe that is what will be necessary. Additionally, unwinding too quickly will result in human and financial costs not only to millions of Texas, but also the state’s safety net, already strained by the pandemic.

All states face the risk of substantial coverage losses among eligible individuals when standard redeterminations resume, but according to a recent report from the Georgetown University Center for Children and Families, Texas is one of six states where maintaining coverage of children eligible for Medicaid or CHIP is most at risk.²

When the PHE ends, the Texas eligibility and enrollment system will face a task that is unprecedented in scale while grappling with substantial workforce constraints. Shortages of HHSC eligibility workers have prevented Texas from meeting federal guidelines for processing Medicaid and SNAP applications in a timely manner in recent months. The state’s current system also creates barriers for Medicaid enrollees who attempt to complete simple, yet critical tasks, such as updating their contact information. Hold times for MAXIMUS operators at 2-1-1 are long—often more than an hour in recent weeks according to Community Partners with whom we work. Clients can update their information online only if they remember their username and password, which they may not have used in two years. People unable to recall their login information will have to call 2-1-1. Demands on already stretched state eligibility workers and 2-1-1 MAXIMUS operators will grow substantially at the end of the PHE, further increasing the risk that eligible children and other Texans will inadvertently lose coverage at the end of the PHE.

Recent experience in Utah serves as a cautionary tale. The state suspended renewals for its CHIP program at the beginning of the pandemic. When Utah resumed renewals, it disenrolled an unprecedented 41% of children from CHIP, the vast majority—around 89%—because of a procedural issue, not because the state determined they were ineligible.³

Gaps in coverage for children, new mothers, and other vulnerable patients can lead to interruptions in access to medications, therapies, and other medical treatments. Delayed or skipped treatment often leads to worsening conditions and greater use of high-cost care. Widespread coverage loss among eligible Texans would also wreak havoc on Texas’ health care system. Safety net providers, rural hospitals, physicians, community health centers, and other providers are already reeling from pandemic-related demands and uncertainty around the 1115 waiver, would face immense scheduling disruptions and increased uncompensated care costs.

Based on your extensive experience and expertise within the HHSC enterprise, we know you appreciate the magnitude of the challenge facing HHSC as it prepares for the PHE wind down. That is why we respectfully urge HHSC to prioritize timely preparation and implementation of its post-PHE work plan – a plan our organizations stand ready to help the agency deploy. Indeed, to support HHSC’s efforts, we write to jointly spotlight targeted recommendations that we believe will ease eligibility workforce burdens, leverage

² Georgetown University Center for Children and Families, “Millions of Children May Lose Medicaid: What Can Be Done to Help Prevent Them From Becoming Uninsured?” February 2022, <https://ccf.georgetown.edu/2022/02/17/millions-of-children-may-lose-medicaid-what-can-be-done-to-help-prevent-them-from-becoming-uninsured/#heading-9>.

³ Deseret News, “41% of Utah CHIP recipients lost coverage in May due to government reversal,” June 20, 2021, <https://www.deseret.com/utah/2021/6/20/22540422/41-of-utah-chip-recipients-lost-coverage-in-may-due-to-government-reversal>.

innovations, and minimize safety-net disruptions and costs while also ensuring eligible clients maintain coverage.⁴

Leverage efficiencies and flexibility to ease HHSC eligibility workforce burdens

Like all employers, HHSC faces ongoing staffing challenges in this tight labor market. We appreciate the focus HHSC has placed in recent months on retention and recruitment of the eligibility workforce, and at the same time, recognize that remedies for workforce challenges in the current labor market are limited. Without adequate staffing of and training for critical positions like call center staff and eligibility workers, it will not be possible to successfully resume normal, orderly renewal operations without reimaging the agency's current work plan. Thus, we encourage HHSC to fully leverage data, automation, and flexibilities that can ease some of the burden on the eligibility system by:

- Initiating renewals for no more than 1/9 of the total caseload per month as recommended in federal guidance.⁵ We strongly recommend this spacing, which would better ensure staff have adequate time to properly work cases and mitigate erroneous denials of eligible individuals, including from avoidable procedural reasons;
- Improving the efficiency of data-driven renewals. As outlined in a letter dated November 16, 2020 to HHSC from 40 health care-stakeholder organizations,⁶ the first step is to remove agency-imposed restrictions that prevent fully leveraging reliable third-party data sources. Even if done only temporarily at the end of the PHE, HHSC should fully leverage all efficiencies and automation employed when Medicaid renewals initially resumed in August 2020;
- Ensuring individuals who have initiated the renewal process retain Medicaid eligibility until their case is processed. HHS will need to monitor backlogs to prevent these individuals from inappropriately losing eligibility through system auto-closures; and
- Leveraging the innovative options outlined in the most recent CMS guidance.⁷ HHSC can align Medicaid renewals with other household members and other programs without a federal waiver. However, HHSC should request a temporary waiver to rely on SNAP data for Medicaid renewals for individuals under 65. These steps would reduce burdens on families and the workload for eligibility workers.

Improve access to 2-1-1 option 2 and ease burdens on it

The current process for Medicaid members to update their contact information is burdensome, as described above, and often funnels clients to 2-1-1 option 2 where hold times are too long, calls are too-frequently dropped, and clients cannot report changes on evenings or weekends. Issues with access to MAXIMUS operators at 2-1-1 will only grow when regular Medicaid renewals resume. We urge you to:

- Increase staffing for 2-1-1 option 2 to address wait times or create an expedited route for clients to update contact information, such as establishing a dedicated line just for this purpose;

⁴ A full list of recommendations to HHSC shared by Children's Health Coverage Coalition partner organizations is at <https://static1.squarespace.com/static/5728d34462cd94b84dc567ed/t/620bf6bc6104147c3d1747a3/1644951228600/Policy-Recommendations-for-HHSC-Unwinding-PHE-Medicaid-feb2022.pdf>.

⁵ CMS, State Health Official Letter, SHO# 22-001, March 3, 2022, <https://www.medicaid.gov/federal-policy-guidance/downloads/sho22001.pdf>.

⁶ Letter to HHSC, November 16, 2020, <https://covertexasnow.org/posts/2020/11/24/40-groups-urge-strategic-improvements-to-tx-health-programs>.

⁷ CMS, SHO# 22-001.

- Leverage all available data sources to more efficiently update contact information, including the U.S. Postal Service National Change of Address database and data from managed care organizations (MCOs). HHSC should request a temporary waiver to accept client contact information from MCOs without verifying with clients, as outlined in the most recent CMS guidance; and
- Allow MCOs to access key functionality available to “Level 3” Community Partners, such as resetting passwords and updating contact information and remove barriers that prevent Level 3 Community Partners from meaningfully providing critical assistance remotely, including via telephone. Fully leveraging the capacity of staff at both MCOs and Community Partners could help take pressure off of 2-1-1.

Maximize client outreach via text

Text messaging is a nimble and effective way to communicate with clients, and will be particularly useful for the end of the PHE due to concerns about outdated mailing addresses. We encourage HHSC to maximize client outreach via direct text from the state as well as through approved partners. Early and frequent text reminders to update contact information and respond to requests related to renewals can help eligible Texans maintain coverage. We specifically encourage HHSC to:

- Maximize direct use of texting clients by the agency, which can reach the broadest population. In early 2021, the Federal Communications Commission clarified that HHSC and other state government entities can directly send text messages to clients without obtaining their prior consent, though consent requirements still apply to state contractors;⁸ and
- Ensure MCOs and other relevant state contractors can maximize use of texts for clients who have given consent for eligibility-related purposes, including by sharing instructions to update contact information and information about renewal.

We stand ready to partner with HHSC to help ensure a successful return to standard redeterminations at the end of the PHE. We are ready to inform and assist our patients, members, and communities. We are eager to hear more about HHSC’s end-of-PHE processes and outreach plans, so we can share accurate information and instructions with our constituencies. As renewals begin, we encourage HHSC to share required CMS reporting metrics⁹ or any other regular updates with stakeholders so we can be a unified front.

The COVID-19 pandemic placed an inordinate strain on HHSC staff and the people it serves. We applaud HHSC’s commitment throughout the past two years to ensure Texans enrolled in Medicaid, CHIP or other health care programs continued to get the care and services they needed all while managing a plethora of other important issues. Under your leadership, we know HHSC can craft a thoughtful, organized, cohesive strategy to manage the PHE wind down, which will impact millions of Texans enrolled in Medicaid and the state’s entire health care system.

We appreciate the opportunity for ongoing dialogue and look forward to discussing these ideas with you and your staff during our meeting on April 5. In the meantime, you may reach us through Helen Kent Davis at Helen.Davis@texmed.org.

⁸ 47 USC §§ 227(b); 86 Fed. Reg. 9299 and State Health and Value Strategies, “Text Messaging: An Important Communication and Outreach Strategy as States Unwind the Federal Medicaid Continuous Coverage Requirement,” January 2022, https://www.shvs.org/text-messaging-an-important-communication-and-outreach-strategy-as-states-unwind-the-federal-medicaid-continuous-coverage-requirement/#_ftn4.

⁹ CMS, <https://www.medicare.gov/resources-for-states/downloads/state-renewable-fillable-report.pdf>.

Sincerely,

Children's Defense Fund - Texas
Every Texan
Texans Care for Children
Texas Association of Community Health Centers
Texas Association of Community Health Plans

Texas Association of Health Plans
Texas Hospital Association
Texas Medical Association
Texas Pediatric Society
Texas Women's Healthcare Coalition

cc: Michelle Alletto, Gina Carter, Kate Hendrix, Molly Lester, Joey Longley, Valerie Mayes, Joey Reed, Wayne Salter, Stephanie Stephens