

## Center for Public Policy Priorities

## **Testimony**

June 2, 2011

82<sup>nd</sup> Legislature, First Called Session

**Senate Finance Committee** 

## TESTIMONY: SENATE BILL 7 BY NELSON

The Center for Public Policies (CPPP) is a nonpartisan, nonprofit 501(c)(3) policy institute established in 1985 and committed to improving public policies to better the economic and social conditions of low- and moderate-income Texans. Improving access to health care for Texans has been at the core of our mission and activities since our founding. The Center for Public Policy Priorities wishes to register in support of Senate Bill (SB) 7. We also wish to register our concern over selected provisions, which we hope may be amended.

## HB 7 and SB 7: Real Health Care Payment and Delivery Reforms, Plus a Few Lemons:

These two bills are just over 140 pages, and nearly identical with each bill including just one provision that is not found in the other. Both bills include elements from the 82nd Regular Session's SB 23, SB 7, HB 32, HB 3537, and SB 8, plus some additional provisions.

CPPP is generally in support of SB 7 and HB 7, particularly the provisions derived from the Regular Session's SB 7 and SB 8, which lay the groundwork for the crucial and difficult changes needed to stop financially rewarding high-volume, wasteful, and ineffective health care, and to start making payment conditional on effective, well-coordinated, and safe health care. Positive Medicaid provisions include steps to improve access to after-hours care and identify health plan practices that reduce the demand for non-emergent care in the Emergency Room. Overall payment and delivery reforms call for new entities designed to coordinate care and promote "quality-based health care outcomes, patient safety, patient engagement, and coordination of services."

Our testimony in support of SB7 in the regular session is at <a href="http://www.cppp.org/research.php?aid=1099&cid=3&scid=4">http://www.cppp.org/research.php?aid=1099&cid=3&scid=4</a>.

The center does not support selected provisions in these long bills, specifically:

- 1. Section 1.18 of SB 7 (1.17 of HB 7), which would require HHSC to begin pursuing "sponsors" of some legal immigrants for repayment of benefits, when it is cost-effective to do so. CPPP believes the bill's language should be modified to ensure the agency identifies in advance which immigrants are going to be subject to the this policy, so that the immigrant may choose to forego the benefit, and so that immigrants who are not subject to re-payment issues will not be unnecessarily intimidated from meeting critical needs.
- 2. Section 1.20 of SB 7 (1.19 of HB 7), Family Planning Funding restrictions, creates a tiered hierarchy based on how comprehensive a health provider's services are and whether the facility is public or private for allocating federal family planning Block Grant funding. It also adds new language on restrictions for family planning funding under the Medicaid program (no use for abortion, and more vaguely, none to entities that either perform abortions with other funds or that "affiliate" with abortion providers). (See also: <a href="http://www.cppp.org/research.php?aid=1108&cid=3&scid=4">http://www.cppp.org/research.php?aid=1108&cid=3&scid=4</a>.)

3. Another section within Article 3 of HB 7 (Article 4 of SB 7) picks up language originally in HB 32 (82nd Regular Session) by Rep. Creighton prohibiting the individual mandate under the federal ACA (health reform). As applied now in SB 7/HB 7, it is a largely symbolic show of opposition to national health reform, and would not have a significant legal impact. (See also: <a href="http://www.cppp.org/research.php?aid=1103&cid=3&scid=4">http://www.cppp.org/research.php?aid=1103&cid=3&scid=4</a> .)

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