

# TEXAS CHIP COALITION



May 25, 2006

Mr. Albert Hawkins, Executive Commissioner  
Texas Health & Human Services Commission (HHSC)  
4900 North Lamar  
PO Box 13247  
Austin, TX 78711-3247

Dear Commissioner Hawkins,

On behalf of the Texas CHIP Coalition, we commend the recent decision by HHSC to ensure that nearly 28,000 children slated for disenrollment from the Children's Health Insurance Program (CHIP) will retain coverage while program policies are reviewed. As you know, we have maintained that processing and communication errors have created administrative barriers that have prevented eligible children from enrolling in CHIP.

While this reprieve grants a measure of relief, it is the goal of our organizations, and no doubt the goal of the Commission, to ensure that the eligibility process works effectively moving forward to prevent further enrollment declines in CHIP and in other programs. The current contractor's performance in the CHIP program has been marked by serious and as yet unresolved problems. Yet, this contractor is scheduled to take over major responsibilities for enrolling and renewing Medicaid and Food Stamps. These two programs affect more than 4 million Texans (thirteen times the size of the CHIP program) including children, the aged, and Texans with disabilities.

Among the other steps HHSC has already taken to revise implementation of the Integrated Eligibility & Enrollment system, we urge HHSC to make a successful reversal of the recent problems with CHIP a prerequisite for any further roll-out of the IE&E model.

**We endorse the following steps as part of HHSC's comprehensive approach to reversing the CHIP enrollment decline.**

- 1) Continue to extend deadlines for application and renewal completion for as many months as needed to bring "failure to re-enroll" numbers and percentages back down to acceptable levels** (e.g., FY 2005 averages), and to implement the steps recommended below. Given that fewer than one in four children would have completed renewal in May without HHSC's decision to extend the deadlines, we believe this action is critical.
- 2) Establish adequate contractor and state staffing levels** to ensure prompt processing of CHIP and Children's Medicaid initial applications and CHIP renewals, on par with the performance of the original CHIP contractor. Take the necessary time to correct the policy training issues which HHSC has already identified.
- 3) Identify and resolve computer system issues** (like generation of client letters with erroneous dates or enrollment fee information, notices that fail to provide adequate time for parents to respond, and inability to capture and report accurate enrollment data) to achieve

performance as good or better than the previous CHIP contractor.

4) **Restructure the recently-adopted procedures for verifying family income and assets to eliminate or minimize requests for additional documentation**, which have been shown to be a primary cause of disenrollments.

The revised process should:

- (a) Eliminate requests for information that have no effect on eligibility (e.g., asset information for CHIP children in families under 150% FPL, or details about a single vehicle for children's Medicaid cases);
- (b) Eliminate the contractor's loss (or inability to locate due to system or training deficits) of documentation already provided by families; and
- (c) Ensure quick resolution, preferably by telephone, of any additional information needs that are truly critical to determining eligibility.

Consistent with current law, we support HHSC's concern for ensuring program integrity when these measures are administered competently by the contractor. The current statute clearly places the burden for verification of resources and assets on the state. Only truly ineligible children should be denied coverage, and denials for failure to complete the process should be kept to the lowest practical level. In order to improve program integrity measures, HHSC should consider:

- (a) Requiring new documentation of income and assets only once per year, i.e., at every other six-month renewal. Interim renewals could be handled as they were prior to January 2006. Adoption of this policy could dramatically reduce the eligibility system workload (particularly if also adopted for children's Medicaid), while maintaining a reasonable annual income documentation policy.
- (b) Conducting verification of income and assets, where appropriate, utilizing third-party information. State law provides that verification take place through the use of third-party information rather than placing an additional burden on the family. Allowing enrollment to proceed unless third-party information contradicts stated income would reduce administrative barriers for families while still providing for program integrity. This approach is also the most consistent with current statute.
- (c) Maximizing use of available program data to verify income via "administrative renewal." Using this approach, the state of Louisiana reports that they are able to renew 60% of children in their combined Medicaid-CHIP program LaCHIP without ever mailing a renewal packet.

5) **Adopt policies to help families above 133% FPL with the new enrollment fees.** Promising ideas include:

- (a) Allowing payment in 2 installments per 6-month period.
- (b) Cash payment options with major Texas grocers. Many are already active partners in children's health and anti-hunger outreach campaigns, and will be receptive to playing this role.
- (c) Credit and debit card payment options.

6) **Reinvest in outreach and application assistance by Community-Based Organizations.**

We applaud HHSC for launching the new marketing and public education efforts. These efforts will be far more effective if matched, as they were in the CHIP-building years, with funding for

CBO-based outreach and application assistance. In 2002-2003, CBO outreach was funded at 160% of the marketing budget: \$6.1 million for CBO outreach, and \$3.8 million for marketing.

**7) Build on the steps HHSC has already taken to reinvigorate an active partnership with providers, health plans, advocates, community-based organizations, and businesses to reach out to families to get eligible children enrolled and keep them on the rolls.** A successful effort by all parties should result in a return to CHIP enrollment growth, and application and renewal rates and performance standards that meet or exceed those of the original contractor.

We would like to work with HHSC and other stakeholders to improve eligibility processes and ensure that the promise of a streamlined and cost effective eligibility determination system is achieved. We also hope to be actively engaged in future eligibility policy and process development for these important programs.

Again, thank you for your attention in this matter. We realize that the Commission has already begun implementing some of the steps outlined above, and offer them in this letter as an endorsement and to highlight the need for a comprehensive approach to reverse the CHIP/children's Medicaid disenrollment trend. Confronting a problem of this magnitude is not easy and your willingness to ensure that families are not adversely affected by administrative barriers is the right one. We look forward to assisting HHSC in making the eligibility system work as intended to benefit both families and the state.

A reply to the Texas CHIP Coalition may be directed to either of the current co-convenors: Children's Hospital Association of Texas (Bryan Sperry, President), at (512) 320-0910 [bryansperry-chat@sbcglobal.net], or Center for Public Policy Priorities (Anne Dunkelberg, Assistant Director), at (512) 320-0222 X102 [dunkelberg@cphp.org]. A list of statewide and regional organizations that have specifically endorsed this letter is attached.

Sincerely,

Texas CHIP Coalition

cc: Governor, Lieutenant Governor, Speaker, Members of the Legislature

**Statewide Organizations:**

Advocacy, Inc.  
*Mary Faithfull, Executive Director*

Catholic Health Association of Texas  
*Brenda A. Trolin, Executive Director*

Center for Public Policy Priorities  
*Anne Dunkelberg, Assistant Director*

Children's Defense Fund - Texas  
*Barbara Best, Executive Director*

Children's Hospital Association of Texas  
*Bryan Sperry, President*

Children's Hospitals and Related Institutions of Texas (CHARIOT)  
*Al Dunn, President*

Coalition for Nurses in Advanced Practice  
*Judy Burnette, RN, FNP, Chair*

The League of Women Voters of Texas  
*Darlene Hicks, President*

March of Dimes Texas Chapter  
*Paula Ransom, State Director*

Mental Health Association in Texas  
*Lynn Lasky Clark, LMSW, President & CEO*

### **Statewide Organizations, continued:**

Methodist Health Care Ministries  
*Kevin Moriarty, CEO*

Texans Care for Children  
*Susan Craven, Executive Director*

Texas Academy of Family Physicians  
*Tim Coleridge, DO, President*

Texas Association of Community Action  
Agencies  
*Stella Rodriguez, Executive Director*

Texas Association of Community Health  
Centers  
*José E. Camacho, Executive Director*

Texas Association of Health Plans  
*Jared Wolfe, Executive Director*

Texas Association of Obstetricians and  
Gynecologists  
*Betty Jo Edwards, MD, President*

Texas Association of Planned Parenthood  
Affiliates  
*Heather Paffe, Political Director*

Texas Dental Association  
*Dr. Thomas Harrison, President*

Texas Federation of Families  
*Patti Derr, Executive Director*

Texas Federation of Teachers  
*Linda Bridges, President*

Texas Hospital Association  
*John Hawkins, Vice President Government  
Relations*

Texas Impact  
*Bee Moorhead, Executive Director*

Texas Occupational Therapy Association  
*Mary Hennigan, Executive Director*

Texas Medical Association  
*Ladon W. Homer, MD, President*

Texas Network of Youth Services  
*Teresa Tod, Executive Director*

Texas Oral Health Network  
*John P Brown, Jane Steffensen, David  
Cappelli, Convenors*

Texas Pediatric Society  
*Patti Patterson, MD, President*

---

### **Regional and Local Organizations:**

Any Baby Can – Texas  
*Durquia M. Guillén, Director*  
(Austin, San Antonio, Kerrville)

Catholic Charities, Diocese of Fort Worth  
*Heather Reynolds, President/CEO*

Catholic Charities of the Archdiocese of  
Galveston-Houston  
*Deacon Joe Rubio, Ph.d*  
*Vice President of Community Relations and  
Advocacy*

Children at Risk  
*Dr. Robert Sanborn, President and CEO*  
(Houston area)

Children's Memorial Hermann Hospital  
*Craig Cordola, AVP, Interim CEO*  
(Houston)

CHRISTUS Santa Rosa Children's Hospital  
*Vicki Perkins, Director of Advocacy and Public  
Policy*  
(San Antonio Area)

---

Citizens Medical Center  
*David P Brown, CEO*  
(Victoria)

Community Dental Care  
*Paul R. Hoffmann, Executive Director*  
(Dallas and Collin counties)

Community Doula Program  
*Nathalie Paravicini, Executive Director*  
(Houston)

Community Health Choice  
*Dr. Glen Johnson, CEO and President*  
(Houston Area)

Council of Families for Children  
*Susan Marshall, Ph.D., Director of Policy and  
Programs*  
(Austin)

Dallas Area CHIP Coalition  
*Julia Easley, Chair*

Denton County Federation of Families  
*Karen Robison, Executive Director*

Ella Austin Community Center  
Ramon Teveni, YFS Program Director  
(San Antonio)

El Paso County Hospital District  
*James N. Valenti, President & CEO*

Gateway to Care  
*Ronald R. Cookston, Ed. D., Executive Director*  
(Houston Region)

Gulf Coast CHIP Coalition  
*Martha Martinez Gomez, Chair*  
(Houston area)

Harris County Hospital District  
*David S. Lopez, FACHE, President and CEO*

Harris County Precinct Two  
*Sylvia R. Garcia, Commissioner*

insure•a•kid  
*Kit Abney Spelce, Executive Director*  
(Central Texas)

McLennan County Youth Collaboration  
*Doug McDurham, Executive Director*  
(Waco Area)

Mental Health Association of Greater Dallas  
*Tim Simmons, President*

Mental Health Association of Tarrant County  
*Linda Ragsdale, Executive Director*

Migrant Health Promotion  
*Graciela Camarena, Director Capacity Building*  
(Progreso/Rio Grande Valley)

Nuestra Clinica Del Valle  
*Lucy Ramirez, Executive Director*  
(San Juan/Rio Grande Valley)

Parkland Health & Hospital System  
*Ron J. Anderson, M.D., President and CEO*  
(Dallas)

People's Community Clinic  
*Regina Rogoff, Executive Director*  
(Austin)

Potter's Vessel Ministries  
*Brian Dodd*  
(Waco)

Seton Family of Hospitals  
*Robert Bonar, President & CEO, Children's Hospital of Austin*

South Plains Federation of Families for  
Children's Mental Health  
*Tonya Hettler, Executive Director*  
(Idalou)

Su Clinica Familiar  
*Elena Marin, M.D., Executive Director*  
(Harlingen, Cameron County)

Superior HealthPlan Network  
*Chris Bowers, President & CEO*

Texas Children's Hospital IDS  
*Mark A. Wallace, President and CEO*  
(Houston Region)

Travis County Medical Society & Project  
Access  
*Marshall Cothran, CEO*

United Way of San Antonio & Bexar County  
*Toni-Marie Van Buren, Director, Public Policy*

University Health System  
*George Hernandez, President and CEO*  
(Bexar County)