

**Written Testimony: Senate Health and Human Services Committee  
Interim Hearing on Interim Charge #4  
Alternatives to Medicaid Expansion, Aug. 14, 2014**

**Introduction – TACHP:**

- Mr. Chairman and members of the committee: I am Ken Janda, CEO for Community Health Choice, a safety-net health plan serving 250,000 low income residents of Southeast Texas, a member of the Texas Association of Community-based Health Plans (TACHP).
- TACHP includes 11 non-profit managed care organizations (MCOs) which serve over 1.3 million Texans in Medicaid and CHIP, primarily children and pregnant women. Almost all of the parents of our members are uninsured, but hard working Texans.
- For those we do cover under Medicaid in Texas, we have a great story to tell of continuous improvement over the past 15 years of a less-than perfect Medicaid system. Today, we should all be very proud of the Texas Medicaid program, where we are:
  - Improving access and the experience of care for the population we serve;
  - Improving the quality of care and health outcomes of our members; and
  - Controlling the per capita cost of the Medicaid and CHIP program, saving Texas taxpayers tens of millions of dollars every year.
- All TACHP members are affiliates of safety-net health care provider systems in Texas. Our parent organizations provide billions of dollars in uncompensated care each year. We are also closely aligned with FQHCs and other safety net providers.

**CHARGE #4 – Alternatives to Medicaid Expansion:**

- Over 1 million Texans below poverty are currently uninsured, and not eligible for employer-sponsored insurance or subsidies under the ACA.
- Before we get into the specifics of a coverage model, it is important to remember that as taxpayers, we pay for the care of these low-income Texans, but in a very fragmented and inefficient manner: county property taxes, multiple state financed programs, joint state/federal funded programs and philanthropic dollars. For example, HHSC currently operates 9 different programs for women's health. Similar fragmentation exists in the funding of mental health services. As a state we can and must do better.
- Pursuing alternatives to Medicaid Expansion presents an opportunity to draw billions of new federal dollars to supplement or replace state and local funds, and provide much better, more coordinated, less costly care. We know from other states' experiences that the federal government is willing to give us the flexibility to design our own plan that works for Texas.
- MCOs like us, working with our provider partners can offer experience in knowing how to build systems that ensure the right care, at the right place, at the right time, which leads to improved outcomes and reduces overall costs.

- We should create a new “Healthy Texas” model that provides private insurance coverage through organizations like ours. Guiding principles for a new “Healthy Texas” should include:
  - Modest enrollee copayments
  - Incentives for healthy behaviors
  - An ability to easily move to less subsidized programs with increasing levels of personal accountability as enrollees’ financial situation improves
- This program can be created by negotiating a new 1115 waiver, layered on top of an extension of the current transformation waiver. We believe the Federal government will give us the flexibility to create a program that works for Texas.
- TACHP members have the experience, compassion and cultural sensitivity to deal with the many challenges faced by low-income Texans: language, transportation, limited education, food and housing.
- We are ready to provide detailed proposals on options on improving the quality, service levels and reduce costs for the state. We know that we can build on the Texas traditions of doing the most pragmatic and common sense thing we can: we should cover all Texans with health insurance.

**TACHP Members:**

Name	Affiliate Organization	City
Community First Health Plans	Bexar County Hospital District (University Health)	San Antonio
Community Health Choice	Harris County Hospital District (Harris Health)	Houston
Cook Children's Health Plan	Cook Children’s Health Care System	Fort Worth
Driscoll Health Plan	Driscoll Children's Hospital	Corpus Christi
El Paso First Health Plans	El Paso County Hospital District	El Paso
FirstCare Health Plans	Covenant Health and Hendrick Health System	Lubbock
Parkland Community Health Plan	Dallas County Hospital District (Parkland Health)	Dallas
Scott & White Health Plan	Scott & White Healthcare	Temple/Waco
Seton Health Plan	Seton Healthcare System	Austin
Sendero Health Plans	Travis County Healthcare District (Central Health)	Austin
Texas Children's Health Plan	Texas Children’s Hospital	Houston