

BILL ANALYSIS

C.S.H.B. 342
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Human Services
Committee Report (Substituted)

BACKGROUND AND PURPOSE

It has been suggested that a periodic review of Medicaid eligibility for certain children under 19 years of age promotes enrollment retention, reduces workload and administrative costs for the state, and prevents eligible children from cycling on and off insurance. C.S.H.B. 342 seeks to provide for such a review of these Medicaid recipients conducted by the Health and Human Services Commission.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission in SECTION 2 of this bill.

ANALYSIS

C.S.H.B. 342 amends the Human Resources Code to authorize the Health and Human Services Commission (HHSC), during the sixth month following the date on which a child's eligibility for Medicaid is certified or recertified, to review the child's household income and, if the review indicates that the child's household income exceeds the maximum income for eligibility for Medicaid, request additional documentation to verify the child's household income. The bill authorizes HHSC to conduct the review using electronic means, if available, and requires HHSC to conduct the review using information obtained through a third party database. The bill requires HHSC, if HHSC determines that the household income exceeds the maximum income for eligibility for Medicaid, to continue to provide Medicaid to the child until:

- HHSC provides the child's parent or guardian with a period of not less than 30 days to provide documentation demonstrating that the child's household income does not exceed the maximum income for eligibility; and
- the child's parent or guardian fails to provide the documentation during that period.

C.S.H.B. 342 requires HHSC to provide the child's parent or guardian with written notice of the termination, if applicable, and sets out the requirements for the notice. The bill requires HHSC, in developing the notice, to consult with health care providers, children's health care advocates, family members of children enrolled in Medicaid, and other stakeholders to determine the most user-friendly method to provide the notice to a child's parent or guardian. The bill requires HHSC to automatically enroll in the child health plan (CHIP) a child whose household income exceeds the maximum income for eligibility for Medicaid and establishes eligibility for the child to receive benefits under CHIP.

C.S.H.B. 342 requires HHSC to track and, not later than September 1 of each year, to prepare and submit a written report to the legislature on:

- the number of children who lose eligibility for Medicaid due to a procedural matter during the review conducted under the bill's provisions or during the recertification process;
- the procedural matters that cause a child to lose eligibility for Medicaid;
- the number of children who lose eligibility for Medicaid following the review, not including children who lose eligibility for medical assistance due to such a procedural matter;
- the number of and rate at which children who lose eligibility for Medicaid following the review are enrolled in CHIP during the review or during the recertification process; and
- the number of children who lose eligibility for Medicaid following the review and who are automatically enrolled by HHSC in CHIP.

C.S.H.B. 342 authorizes the executive commissioner of HHSC to adopt rules to implement the bill's provisions. The bill revises the statutory requirement for executive commissioner rules to provide that a child remains eligible for Medicaid, without additional review by HHSC and regardless of changes in the child's resources or income, until the earlier of the end of the six-month period following the date on which the child's eligibility was determined or the child's 19th birthday to remove the reference to the child's resources.

EFFECTIVE DATE

September 1, 2019.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 342 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute does not change the date on which the period of continuous Medicaid eligibility for a child under 19 years of age expires but, in that provision, revises a statutory requirement regarding executive commissioner rules that provide for continuous eligibility without additional review by HHSC and regardless of changes in the child's resources or income by removing the reference to the child's resources.

The substitute includes provisions relating to periodic eligibility reviews for certain minor recipients of Medicaid conducted by HHSC and establishes a process for enrolling children who are no longer eligible for Medicaid in CHIP.