

SUBJECT: Revising the process for determining Medicaid eligibility of certain youth

COMMITTEE: Human Services — favorable, without amendment

VOTE: 8 ayes — Frank, Hinojosa, Hull, Klick, Meza, Neave, Noble, Shaheen

0 nays

1 absent — Rose

SENATE VOTE: On final passage, May 13 — 30-0

WITNESSES: No public hearing.

BACKGROUND: Human Resources Code sec. 32.0247 requires the Health and Human Services Commission (HHSC) to provide medical assistance, in accordance with commission rules, to an independent foster care adolescent who:

- is not otherwise eligible for medical assistance; and
- is not covered by a health benefits plan offering adequate benefits, as determined by the commission.

Under this section, the Department of Family and Protective Services (DFPS) must certify the income, assets, or resources of each individual on the date the individual exits foster care. An individual qualifying for medical assistance shall remain eligible for 12 calendar months after certification and after each recertification. The recertification process for individuals who are eligible for medical assistance includes the option of recertifying by mail or phone.

Concerns have been raised about the difficulty some former foster care youth have recertifying their Medicaid eligibility annually due to the complexity of the renewal process and the difficulty many youth have in maintaining a correct address on file with the state. Failure to submit recertification documents annually can lead to a lapse in or loss of medical

coverage. Interested parties have suggested that the process for determining Medicaid eligibility for former foster care youth should be streamlined.

DIGEST: SB 1059 would require the Health and Human Services Commission (HHSC), in consultation with the Department of Family and Protective Services (DFPS), to design and implement a streamlined process for determining a former foster care youth's eligibility for Medicaid.

The streamlined process would have to:

- provide for the automatic enrollment and recertification of a former foster care youth in the STAR Health program, the STAR Medicaid managed care program, or another Medicaid program, as appropriate; and
- be designed to prevent any unnecessary interruption of the youth's Medicaid benefits, including any interruption related to having to recertify the youth for benefits.

If recertification was required under federal law, the bill would specify the use of a simple application and recertification process that:

- to the extent permitted by federal law, did not require that a youth verify that the youth was a resident of Texas unless the HHSC determined that the youth was receiving Medicaid benefits outside of this state; or
- if federal law required that a youth verify that the youth was a resident of Texas, allowed the youth to attest to that fact without providing additional documentation or evidence that proved the youth was a Texas resident.

The bill also would change the period of continuous Medicaid eligibility for a former foster care youth from 12 calendar months after certification and after each recertification to the maximum period permitted under federal law before any recertification was required.

The recertification process for a former foster care youth would have to comply with the streamlined process designed and implemented by HHSC and include the option to recertify online.

DFPS and HHSC would be required to implement the bill only if the Legislature appropriated money specifically for that purpose. If no legislative appropriation was made, the department and commission could, but would not be required to, implement the bill's provisions using other appropriations available for that purpose.

The bill would take effect September 1, 2021, and would apply only to an initial determination or recertification of eligibility of a person for medical assistance made on or after that date.

NOTES:

According to the Legislative Budget Board, the bill would have a negative impact of \$717,281 to general revenue related funds through fiscal year 2023. The negative impact to general revenue related funds would increase to \$3.7 million in the subsequent biennium.