



August 2, 2023

Cecile Young
Executive Commissioner
Texas Health and Human Services Commission
PO Box 13247
Austin, Texas 78711-3247

Delivered via email to: cecile.young@hhs.texas.gov

Re: Ensuring that eligible children, seniors, and Texans with disabilities remain covered during continuous eligibility unwinding

Dear Commissioner Young:

On behalf of the undersigned organizations, which are dedicated to improving access to health care for all Texans, we write to respectfully request that the Texas Health and Human Services Commission (HHSC) timely consider implementation of additional strategies to reduce the number of Texans losing Medicaid due to administrative denials.

Over the past year, HHSC has thoughtfully prepared for Medicaid continuous eligibility unwinding, an unprecedented and daunting undertaking for Texas and all other state Medicaid programs. As part of its efforts, HHSC has closely collaborated with our organizations and other stakeholders to educate and support Texans enrolled in Medicaid about the unwinding process, with the goal of mitigating unintended coverage losses among the Texans still eligible – the vast majority of whom are children. We are very grateful for HHSC's willingness to work closely with us on this endeavor, which will require all hands-on deck to ensure a smooth transition.

As noted in our letter from March 2022, key to keeping eligible Texans covered during the unwinding is to minimize procedural denials. These denials are made not because HHSC determined someone ineligible, but because of a missing or incomplete application. However, many people who lose coverage this way remain eligible.

Already, HHSC has taken important steps to prevent such disenrollments, including getting updated address information for clients, strengthening data-driven renewals, and greatly increasing outreach to clients. Additionally, the agency hosts Ambassador calls to provide stakeholders vital updates about the process and an opportunity for interactive discussions on how to improve. These calls have been particularly helpful for enhancing outreach to populations most likely to remain eligible, yet at risk for procedural denials - children, seniors, and people with disabilities.

We are also very grateful for HHSC's co-sponsorship of community enrollment events in collaboration with local organizations, including Feeding Texas, which works with HHSC to host in-person renewal assistance at local food banks.

On July 13, HHSC published data regarding the outcomes for the 758,000 renewals initiated in April (cohort 1).

Naturally, we are very concerned about the outcomes for this cohort – over 500,000 people lost coverage. Most alarmingly, procedural reasons resulted in the termination of 405,000 (81%) enrollees.

Moreover, Texas administratively renewed only 1% of cases (ex parte renewals), whereby the state uses reliable electronic data sources to verify eligibility. By comparison, Arizona completed 62% of renewals ex parte – also known as administrative or data-driven renewals - while Ohio did so for 33%. Increasing use of administrative renewals can help the states manage the redetermination process more efficiently and accurately, while allowing eligibility workers to focus on more complex cases.

Thus far, Texas' experience with procedural disenrollments is similar to other states,¹ though Texas' rate is above the national average. **As Medicaid agencies and stakeholders are quickly learning together, after three years of continuous coverage for millions of enrollees, clients (and the providers who care for them) remain confused by or unaware of unwinding.**

Additionally, the sheer scale of the initiative means eligibility workers, and the information technology systems on which they depend to manage the process, have struggled to keep pace, affecting not only employee morale and retention, but also the ability to identify and resolve an escalating number of systemic policy, data and IT issues that contribute to unnecessary coverage losses.

HHSC recently launched renewals for Cohort 2 and is preparing to send redetermination notices to Cohort 3--which will include postpartum women, children, seniors, Texans with disabilities, including those with serious mental illness. Based on HHSC's unwinding operational plan, by the end of July, inclusive of regular Medicaid renewals, the agency will send redetermination letters to an additional one million Texans, followed closely by another 1.3 million letters in August – and more to follow. These cohorts will include a mix of all Medicaid eligible clients – children, seniors, and Texans with disabilities - with a particular focus on postpartum women.

Knowing what we know now from the experience of Cohort 1, including the impact on eligibility workers, we respectfully urge the agency to proactively implement additional strategies to reduce unnecessary loss of coverage. Specifically, we recommend the following targeted strategies, all of which CMS approved for use, as communicated in its guidance to governors and state Medicaid directors².

¹ [Medicaid Enrollment and Unwinding Tracker | KFF](#)

² [CMS, Available State Strategies to Minimize Terminations for Procedural Reasons During the COVID-19 Unwinding Period June 2023.](#)

1. **Allow one additional month before initiating procedural denials**, while fully leveraging managed care organizations (MCOs) and Community Partners to amplify effective outreach and renewal assistance (*state strategy options 12, 13, and 14*³).

Today, MCOs do not have sufficient time to conduct meaningful outreach between receipt of the supplemental file with procedural denials and the termination date. MCOs are well positioned to do outreach to Texans slated for procedural denial, if given an extra month to reach people.

However, the additional 30 days is not sufficient alone. To be effective, HHSC must also ensure that Case Affiliate MCOs and Level 3 Community Partners can provide meaningful phone-based assistance to clients with renewals, including by completing fields in the renewal form with information provided by the enrollee and capturing a telephonic signature so the renewal can be submitted. Some MCOs are sharing limited data with FQHCs for their patients, empowering FQHCs to also help conduct targeted outreach. HHSC should help encourage and support these collaborations that leverage capacities of more Community Partners.

Additionally, we encourage HHSC to ensure MCOs in STAR+PLUS and STAR Kids are fully engaged in unwinding outreach and empowered to fully assist their clients with renewals. Our colleagues with expertise in barriers to Medicaid for the Elderly and People with Disabilities concur that the steps above would help keep more eligible seniors and Texans with disabilities covered.

2. **Increase use of administrative renewals.** Within CMS's guidance,⁴ implementation of options 5-10 would boost Texas' success using data-driven renewals, thereby decreasing the workload on the strained eligibility system and mitigating loss of coverage in the targeted populations. As noted above, **Arizona completed nearly two-thirds of its renewals this way by leveraging many CMS-authorized flexibilities. Indeed, in a 2022 letter to CMS, Arizona stated its pursuit of one such strategy would "help alleviate significant additional strain on the state's workforce through the unwinding period."**⁵

We urge Texas to quickly reexamine these CMS flexibilities and adopt as many as feasible.

3. **Quickly upgrade *YourTexasBenefits* (YTB)** to allow clients who experienced procedural denials to complete their renewal and upload verification during their 90-day reconsideration period without needing to submit a new application. HHSC has expressed concern about the volume of new applications and the need to minimize the number of beneficiaries who start a new application rather than upload missing information. We are concerned that despite the agency's need to minimize new applications, eligibility workers continue to inform 211 callers they must start a new application.

Further, we recommend that HHSC elect to reinstate coverage back to the termination date for people who successfully complete a renewal during their 90-day reconsideration period (*state strategy option 20*). These steps will help eligible Texans remain covered and support the health care delivery system by minimizing the need for retroactive Medicaid eligibility determinations for people who remain eligible and incurred medical expenses during this window.

4. **Improve data transparency.** As entities committed to working closely with HHSC and policymakers to achieve an effective, smooth, and accurate unwinding, the more data we have, the

³ [CMS, Available State Strategies to Minimize Terminations for Procedural Reasons During the COVID-19 Unwinding Period June 2023](#)

⁴ Ibid

⁵ [DEPARTMENT OF HEALTH & HUMAN SERVICES \(azahcccs.gov\)](#)

better we can target our own outreach and education related to this undertaking. That is why we very much appreciate HHSC's timely release of aggregate disenrollment data in early July. However, in the future, we respectfully request HHSC provide detailed breakdowns of the numbers of Texans losing coverage by eligibility group, including children, seniors, individuals with disabilities, postpartum women, parents/caretakers, and former foster youth. Such information is vital to crafting more effective outreach, education and enrollment assistance by population.

Additionally, we ask that HHSC publish call center performance data, such as wait times, as soon as it sends this information to CMS. While CMS has already begun posting state-by-state performance data,⁶ it will be much easier for policymakers and stakeholders to find this information if HHS also posts it directly on its website.

Lastly, we encourage HHSC to consider establishing a more detailed unwinding dashboard, similar to those created by Arizona, Nevada, Ohio, and Utah, among others.⁷ Such information will provide the public, policymakers and stakeholders more timely insight about the process.

5. Modify Texas' unwinding timeline to allow HHSC the time to analyze systemic issues contributing to procedural denials or data irregularities. Doing so promptly will help Texas avoid similarly high procedural denial rates (and boost *ex parte* success) for the beneficiaries sent renewal notices in July and after.

6. Provide enrollees and providers easy access to renewal dates to reduce the number of clients who submit their applications too early. Texas Medicaid is rightly concerned about the need to avoid large numbers of beneficiaries submitting applications before their renewal is due.

To address this issue, several states have enacted innovative approaches to ensure enrollees have ready access to their renewal dates, paired with messaging asking them to wait for their renewal notice before submitting their paperwork. Examples include:

- making renewal dates accessible through an enrollee's online account. Tennessee has published a handout with step-by-step instructions on the process of locating renewal dates through an enrollee's online account.
- Equipping providers and health plans with access to renewal dates, as Kentucky and Tennessee have done. Kentucky includes special guidance for providers who want to help patients find their renewal dates.

7. Convene a technical advisory group to help HHSC identify and resolve systemic issues and provide opportunities to better leverage HHSC's Community Partners in outreach and renewal assistance. By design, the Ambassador calls provide high level information and are not ideal settings to analyze weedy and complex questions. A technical advisory workgroup would provide a forum for the agency and stakeholders to engage in productive, small group dialogue necessary to untangle complicated issues, including cases involving patients receiving Medicaid waiver services, or for special populations, such as dual eligibles.

We note that there are many other strategies available to Texas to reduce procedural denials and keep eligible children, seniors, and individuals with disabilities enrolled⁸. State strategy options 21-23 would

⁶ [Medicaid and CHIP Unwinding Operations Snapshot –April 2023 Data](#)

⁷ [State Reporting to Monitor the Unwinding of the Medicaid Continuous Coverage Requirement \(shvs.org\)](#)

⁸ [CMS. Available State Strategies to Minimize Terminations for Procedural Reasons During the COVID-19 Unwinding Period June 2023](#)

improve continuity of care and reduce churn. We stand ready to help HHSC with any of the state strategies available to keep eligible children, seniors, and individuals with disabilities enrolled.

Minimizing loss of coverage among eligible Texans will be beneficial not only for individuals, but also for HHSC eligibility workers and the health care delivery system. HHSC needs additional time to accurately analyze root causes of systemic problems and to develop solutions. However, the pace of redeterminations prevents staff from doing so effectively. We are concerned about the overburdened eligibility system leading to lengthy delays for families who have applied for Medicaid or SNAP, and note that unlike in Medicaid, families whose SNAP recertifications have been delayed actually lose benefits, resulting a struggle to put food on the table. Additionally, the loss of Medicaid coverage among Texans still eligible for coverage will place additional workload - and higher costs – on an already strained eligibility system, as these eligible populations churn out and likely will reapply in short order.

Meanwhile, gaps in coverage for people who are disenrolled, but still eligible, often lead to interruptions in access to medications, therapies, and other medical treatments. Delayed or skipped treatment contributes to worsening conditions and greater use of high-cost care. Widespread coverage losses among eligible Texans also will wreak havoc on Texas’ health care system. Safety net providers - rural hospitals, physicians, community health centers, and other providers – are already reeling from pandemic-related demands and increased uncompensated care costs.

Finally, excessive numbers of procedural denials may cause postpartum women to miss a referral to Healthy Texas Women, delay the timely enrollment of children transferring from Medicaid to the Children’s Health Insurance Program, or for other clients to be connected with alternative coverage options, such as those at healthcare.gov. As noted above, gaps in coverage can impact Texans’ health and the health of the state’s safety net.

We deeply appreciate HHSC’s commitment to thoughtfully unwinding Medicaid continuous eligibility as well as its ongoing dialogue and engagement with stakeholders. Our organizations will continue to collaborate with you and your staff to inform and assist our patients, members, and communities.

Thank you for your timely consideration and your service.

You may reach us through Helen Kent Davis at Helen.Davis@texmed.org.

Sincerely,

Children’s Defense Fund
Every Texan
Feeding Texas
Hogg Foundation for Mental Health
Teaching Hospitals of Texas
Texas Academy of Family Physicians
Texas Association of Community Health Plans
Texas Association of Community Health Centers
Texas Association of Obstetricians and Gynecologists
Texans Care for Children

Texas Hospital Association
Texas Medical Association
Texas Pediatric Society
Texas Women's Healthcare Coalition
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cc: Michelle Alletto, Gina Carter, Kate Hendrix, Molly Lester, Valerie Mayes, and Emily Zalkovsky