



# Provide Meaningful **HEALTH CARE COVERAGE** for Uninsured Texans

## Background

More than 5.2 million Texans – nearly 20% of our state’s population<sup>1</sup> – lack health insurance, the highest number in the country. Each day more Texans join their ranks. From 2018 to 2019, the uninsured number in Texas grew by 230,000. While official data for 2020 will not be available until later this year, the COVID-19 pandemic has likely only made it worse as more Texans lose their jobs and health care coverage.

### **When people are uninsured it harms our economy.**

States with high numbers of uninsured residents have experienced more rural hospital closures, taking out the economic lifeblood of many small communities.

Conversely, having coverage helps workers, get and keep jobs<sup>2</sup>, – or start a small business,<sup>3</sup> the engine of Texas’ economy. It also reduces employee absenteeism, boosting employer productivity.

While coverage does not guarantee access to care, it’s essential to promoting timely entry into the health care system when Texans need care. Without health insurance, people put off treatment, suffer worse health outcomes, require more expensive care, and have shorter life spans. Yet, when more people have health insurance, they can receive the care they need, when they need it in a more affordable manner.

### **A recent study<sup>4</sup> found Texas could achieve a net savings of \$110 million (general revenue) over the next biennium by providing meaningful coverage to the uninsured.**

To increase health care coverage, Texas must deploy a multipronged solution, with strategies geared to the unique needs of different populations. The recent 10-year extension of Texas’ Medicaid 1115 Transformation Waiver is one piece, providing much-needed dollars to financially stabilize safety net hospitals, public health departments and public mental health clinics.

### **With the waiver renewal done, Texas can no longer ignore the human, social, and economic impact of having more than 20% of our people uninsured.**

Health care coverage matters, resulting in healthier Texans and more economically prosperous communities.<sup>5</sup>

Using federal Medicaid dollars<sup>6</sup> together with state and federal policy solutions, Texas can reduce its number of uninsured. Thirty-nine states (including Washington, D.C.) have taken steps to improve health care coverage and their economy. Texas can too.

## TMA’s Legislative Recommendations

- Develop a meaningful, statewide health care coverage initiative using federal dollars to:
  - o Extend meaningful coverage to low-income uninsured working-age adults, and
  - o Establish a state-administered reinsurance program to reduce premiums for people enrolled in marketplace plans.
- Provide 12-months comprehensive coverage for women who lose Medicaid 60 days postpartum.
- Establish 12-months continuous coverage for children enrolled in Medicaid, the same benefit given to children enrolled in the Children’s Health Insurance Program.

<sup>1</sup> [Health Insurance Coverage in the United States: 2019, Sept. 15, 2020](#)

<sup>2</sup> [The Effects of Medicaid Expansion under the ACA: Updated Findings from a Literature Review, KFF, March 17, 2020](#)

<sup>3</sup> [Medicaid and the Supply of Entrepreneurs: Evidence from the Affordable Care Act](#), Kyung Min Lee, Oct. 2018

<sup>4</sup> [State Budget Impact of Providing Health Insurance to Low-Income Adults with 90%](#), prepared by Randy Fritz, John R. Pitts and John R. Pitts, Jr. for the Episcopal Health Foundation, Sept. 14, 2020

<sup>5</sup> [The Effects of Medicaid Expansion under the ACA: Updated Findings from a Literature Review, KFF, March 17, 2020](#)

<sup>6</sup> [How Many Uninsured Adults Could Be Reached If All States Expanded Medicaid?](#), KFF, June 25, 2020



Physicians Caring for Texans

#TMAadvocacy



@texmed



@wearetma