

## Issue Brief From THE FAMILY BUDGET ESTIMATOR Project

## HEALTH CARE



### WHAT IS THE STATE OF HEALTH CARE IN TEXAS?

Many low- and moderate-income families have difficulty affording health care, either because they are unemployed; their employers do not provide health benefits or the premiums are unaffordable; or they earn too much to qualify for public health insurance. Public health insurance programs serve only the poorest, disqualifying many poor and near-poor Texans. “Cliff-like” income limits abruptly terminate eligibility for families earning just a few dollars over the limit, while the cost of private coverage remains out of reach. With limited public options, many working families face severe medical risks with potentially devastating economic results.

- **Soaring health insurance costs:** The cost of coverage has grown so high that it affects far more than the working poor. Many fully employed middle-class Texans either cannot afford health insurance or find it competing with education, home ownership, and retirement savings.
- **Uninsured children:** Texas is home to 1.3 million uninsured children. Two-thirds of these children are below 200% of the federal poverty line, despite such public health insurance programs as Medicaid and the Children’s Health Insurance Program.
- **Uninsured adults:** Texas has the highest percentage of people without health insurance in the nation. As of 2005, one in four Texans (5.4 million) is uninsured. Being uninsured is not something that is limited to the very poor or unemployed. In fact, one in four working-age Texans (26%, or 4.0 million) goes without health insurance, and three-fourths of the working-age uninsured have incomes above the poverty line.<sup>1</sup> Low-wage jobs often do not provide health insurance coverage to employees. In fact, Texans are far less likely to receive employer-sponsored health insurance than workers in other states. Moreover, many employer-based insurance plans require employees to pay higher premiums, co-payments, and deductibles than workers can afford. This leaves many workers ineligible for public assistance but still unable to afford employer-based or other private insurance.
- **Tough eligibility requirements for public assistance:** Texas is one of only five states with an asset test for children’s Medicaid, and the income limits for adult Medicaid are among the most restrictive in the country.

### WHAT PROGRAMS ARE AVAILABLE TO INSURE LOW-INCOME FAMILIES?

Since 2000, Texas’ Children’s Health Insurance Program (CHIP) and Medicaid have provided health coverage for about 1 million additional Texas children, and the percentage of uninsured Texas children below 200% of poverty has dropped from 35% to 29%. These programs now cover more than 2 million children.

- **Medicaid:** Medicaid provides health benefits to children, pregnant women, the elderly, people with disabilities, and very poor caretakers of dependent children.

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<sup>1</sup> U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplement 2005 and 2006. Figures are two-year averages (2004-05).

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- **CHIP:** CHIP assists low-income families who earn too much to qualify for Medicaid, but cannot afford private insurance for their children. CHIP provides a full range of health services including regular checkups, immunizations, prescription drugs, lab tests, X-rays, and hospital visits.

## WHAT IS THE UNMET NEED?

Many eligible families do not enroll their children in Medicaid and CHIP because they are unaware of the programs or intimidated by complicated enrollment procedures. As a result, thousands of Texans miss out on benefits, and Texas continues to have one of the highest rates of uninsured children in the nation. Nonprofits and government organizations can help by educating clients and the general public about Medicaid and CHIP, and businesses can do the same with their employees.

## HEALTH CARE PROGRAMS AND RESOURCES

### Texas Medicaid

- Texas Medicaid in Perspective (The “Pink Book”): [www.hhsc.state.tx.us/medicaid/reports/PB6/PinkBookTOC.html](http://www.hhsc.state.tx.us/medicaid/reports/PB6/PinkBookTOC.html)
- A Consumer Guide to Better Health Care: [www.hhsc.state.tx.us/chip/reports/ConsumerGuideEnglish.pdf](http://www.hhsc.state.tx.us/chip/reports/ConsumerGuideEnglish.pdf)
- Information on Applying for Children’s Medicaid or CHIP: [www.chipmedicaid.org/](http://www.chipmedicaid.org/)
- Provider Resources: [www.hhsc.state.tx.us/medicaid/med\\_providers.html](http://www.hhsc.state.tx.us/medicaid/med_providers.html)
- Enrollment Statistics: [www.hhsc.state.tx.us/research/MedicaidEnrollment/MedicaidEnrollment.asp](http://www.hhsc.state.tx.us/research/MedicaidEnrollment/MedicaidEnrollment.asp)
- Contact Information: [www.hhsc.state.tx.us/medicaid/contacts.html](http://www.hhsc.state.tx.us/medicaid/contacts.html)
- Long-Term Care Medicaid (services for the aged and Texans with disabilities): [www.dads.state.tx.us/services/dads\\_help/index.html](http://www.dads.state.tx.us/services/dads_help/index.html)
- Texas Health Steps: The Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) service is Texas Medicaid’s comprehensive and preventive child health service for individuals younger than 21 years old. [www.dshs.state.tx.us/thsteps/default.shtm](http://www.dshs.state.tx.us/thsteps/default.shtm)

### Children’s Health Insurance Program

- General Information: [www.chipmedicaid.com/english/index.htm](http://www.chipmedicaid.com/english/index.htm)
- Texas Health and Human Services Commission Reports and Publications: [www.hhsc.state.tx.us/chip/chip\\_pubs.asp](http://www.hhsc.state.tx.us/chip/chip_pubs.asp)
- Other Official Information on Texas CHIP: [www.hhsc.state.tx.us/chip/index.html](http://www.hhsc.state.tx.us/chip/index.html)
- Information on Applying for Children’s Medicaid or CHIP: [www.chipmedicaid.org/](http://www.chipmedicaid.org/)
- Texas CHIP Coalition: A statewide coalition working for strong Children’s Medicaid and CHIP programs. [www.texaschip.org/](http://www.texaschip.org/)