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**House Select Committee on Health Care Reform**

**August 4, 2022**

**Contraceptive Coverage in the Texas Children’s Health Insurance Program**

Chair Harless and Honorable Committee Members:

**Healthy Futures of Texas** is a statewide, non-profit, non-partisan organization dedicated to improving the well-being of young Texans through equitable acess to sexual health resources and services. Much of the organization’s mission is to reduce unintended teen pregnancy through education, on-the-ground programming, as well as the pursuit of data-driven, medically-supported policies. On August 1, 2022, the state’s three leading teen pregnancy prevention organizations, including the Texas Campaign to Prevent Teen Pregnancy, the North Texas Alliance to Reduce Unintended Pregnancy in Teens, and Healthy Futures of Texas, merged into one organization. The organization does not take a position on abortion.

We appreciate the opportunity to provide feedback on Charge 3 of the Select Committee on Health Care Reform, related to innovative, fiscally positive options to provide low-income, at-risk Texans with access to health care, including strategies successfully implemented in other states.

**A baby is born to a teen mother once every 23 minutes in Texas.** Access to effective contraception can be a key factor in supporting young women in completing their education, joining the workforce and achieving success in life.

However, Texas is one of just two states in the nation that does not fully cover birth control in our Children’s Health Insurance Program (CHIP).

CHIP provides full medical coverage to the children of working families, covering teens through the end of the month following their 19th birthday. Texas CHIP does not cover birth control for purposes of pregnancy prevention. **Of teens enrolled in CHIP in FY 18, almost 1,600 experienced a documented pregnancy by the next year[[1]](#footnote-0).** Teens who report a pregnancy while covered by CHIP are transferred to the Pregnant Women’s Medicaid Program.

The state of Texas maintains two other programs which do provide contraception to teens, with parental consent: The Healthy Texas Women Program (HTW) and the Family Planning Program (FPP).

Because they have creditable health insurance, teens on CHIP are not eligible for HTW, which is a Medicaid waiver program. They may receive services through FPP. However, there are fewer than 200 FPP clinics throughout the state, and 74% of Texas counties do not have a clinic location. Accessing this program would require teens to first know that it exists, and then to navigate another set of eligibility processes, potentially traveling long distances.

This also comes at a cost to the state. While CHIP services are reimbursed at the Enhanced Federal Medical Assistance Percentage (EFMAP), (77% in FFY 22, dropping to 72% in FFY 23) **FPP services are 100% General Revenue funded.** Additionally, the Family Planning Program is not an entitlement program and providers run short on funds each year, resulting in large drops in clients served in the fourth quarter of each fiscal year. FPP contractors are required to attempt to serve existing clients throughout the fiscal year even after expending all contracted funds, and if there are no funds to pay for valid claims, the claim becomes a “funds gone” claim. According to the FY 21 Women's Health Program Savings and Performance Report, Funds Gone for FPP totaled $3.2 million in FY 21. Data are not immediately available showing how many teens on CHIP seek services through FPP.

While CHIP technically reimburses for contraception when indicated for medical issues such as endometriosis or anemia[[2]](#footnote-1), the authorization process for this is complex and many clinicians report problems with billing or erroneously believe that no birth control is covered. This imposes costs and staff time burdens for medical practices and results in delays for patients accessing their medications, with some patients reporting that they were denied needed medication altogether. For example, one of our stakeholders, an adolescent health physician, reported that her 12 year old patient went to the emergency room for anemia related to heavy menstrual bleeding and was prescribed birth control pills to control the bleeding. However, the emergency room was unable to navigate the authorization process and the claim was refused. The patient soon ended up back in the emergency room, now with hemoglobin levels so low that she required hospital admission and a blood transfusion.

Legislation such as **HB 800 (86R) and HB 835 (87R),** filed by Rep. Donna Howard, would add contraception as a covered benefit in CHIP. **Parental consent** would be required for minors to access birth control, and the program would **not** cover abortion-inducing drugs.

The Legislative Budget Board has estimated that adding contraceptive coverage to CHIP would **produce cost savings to the state** that could become significant[[3]](#footnote-2). These cost savings would occur in two ways:

* By reducing Pregnant Women’s Medicaid costs associated with unintended births to teens on CHIP; as well as coverage of their children in Children’s Medicaid;
* By receiving federal matching funds for approximately three-fourths of the cost of contraception through CHIP, rather than paying 100% of the cost through the GR-funded Family Planning Program.

We urge the committee to implement a recommendation in support of contraceptive coverage in the CHIP program as a cost-saving measure that would expand access to health care to young Texas women.

More information is available in our full written report, which may be viewed at [www.txcampaign.org/CHIP](http://www.txcampaign.org/CHIP). For more information, please contact Healthy Futures Director of Research and Data, Jen Biundo, at [jen@txcampaign.org](mailto:jen@txcampaign.org).

1. Texas Campaign to Prevent Teen Pregnancy. “Contraceptive Coverage in the Children’s Health Insurance Program,” 2021. Access at www.txcampaign.org/CHIP [↑](#footnote-ref-0)
2. Section 62.151, Health and Safety Code. (c) “In modifying the plan, the executive commissioner shall ensure that primary and preventive health benefits do not include reproductive services, other than prenatal care and care related to diseases, illnesses, or abnormalities related to the reproductive system.” [↑](#footnote-ref-1)
3. Fiscal Note, HB 800, 86R. https://capitol.texas.gov/tlodocs/86R/fiscalnotes/html/HB00800H.htm [↑](#footnote-ref-2)