



August 18, 2020

Legislative Budget Board - Board Members:

The Honorable Dan Patrick, Joint Chair

The Honorable Dennis Bonnen, Joint Chair

The Honorable Kelly Hancock

The Honorable Dustin Burrows

The Honorable Joan Huffman

The Honorable Giovanni Capriglione

The Honorable Jane Nelson

The Honorable Mary González

The Honorable Larry Taylor

The Honorable Oscar Longoria

*Delivered via email*

Re: Texas Health & Human Services Commission's Five Percent Budget Reduction Plans

Dear Legislative Budget Board Members:

On behalf of Texans Care for Children, I am reaching out to express our concerns regarding the five percent reduction plan proposed by the Texas Health and Human Services Commission (HHSC) for the remainder of this biennium. Amidst a global health pandemic and sky-high unemployment, Texas families are hurting. Families are facing job loss, loss of job-based health insurance, the threat of eviction, and the fear of contracting a deadly virus.

In other words, this is the worst time imaginable to cut health and other services for Texas children. Instead of making things worse for Texas families, this is a moment in history when state leaders should be fully funding the services that Texans need, and using other tools — such as the Rainy Day Fund and additional federal funding — to address the state's revenue shortfall.

Yet, while HHSC has tried to find administrative savings in the proposed five percent cuts, several proposed cuts clearly and directly impact services for kids and families. Specifically, we are concerned about the proposed cuts to:

- **Early Childhood Intervention (ECI) respite services.** ECI helps infants and toddlers with disabilities or developmental delays get therapies and services to help them walk, talk, get ready for school, and meet other goals. HHSC’s proposal to cut ECI respite services eliminates a critical service that alleviates stress on families and reduces the risk of child abuse. ECI respite gives short-term relief and support to families dealing with the stress and around-the-clock responsibility of parenting a child with complex needs. ECI’s respite component not only supports children’s development, it also serves as one of the state’s most targeted child abuse prevention strategies. With the additional stressors on families during the pandemic, cutting ECI respite services would make things even harder for families caring for a child with disabilities.<sup>1</sup>
- **Women’s health programs.** An estimated 659,000 Texas adults became uninsured from February to May as unemployment soared amid the pandemic -- meaning 1 in 3 Texas adults are uninsured, the worst rate in the nation.<sup>2</sup> Healthy Texas Women and the Family Planning Program may be the only source of care for women in need of well-woman exams, family planning services, and health screenings. HTW and FPP not only help improve infant and maternal health by helping women plan and space their pregnancies, these programs save the state money and reduce neonatal (NICU) hospital costs to the state. HHSC estimated that services provided by HTW and FPP saved the state a combined \$140 million in General Revenue in 2019 alone.<sup>3</sup> HHSC acknowledged that the proposed cuts to HTW and FPP will reduce the number of women receiving family planning and health screenings.<sup>4</sup> Cuts to women’s health services would not only hurt Texas families in the middle of a recession and pandemic, but would also increase state costs in the medium term and long term.
- **Eligibility and enrollment services to help kids sign up for health insurance and SNAP food stamps.** HHSC has acknowledged that proposed cuts to eligibility and enrollment services would delay eligibility determination timeframes and risk Texas not meeting federally-required timeframes.<sup>5</sup> The cut is not merely an administrative tweak; it is a hiring delay of over 700 needed eligibility staff -- and children will suffer the direct effects of these cuts. As businesses close and Texans lose their jobs, these cuts make it harder and slower for Texas families to sign up for SNAP food stamps, CHIP, Medicaid,

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<sup>1</sup> See Spectrum News. Families of Texas Children with Special Needs Fear Crush of Proposed COVID-19 Budget Cuts. Jul. 28, 2020. <https://spectrumlocalnews.com/tx/austin/news/2020/07/28/families-of-texas-children-with-special-needs-fear-crush-of-proposed-covid-19-budget-cuts->

<sup>2</sup> Families USA. The COVID-19 Pandemic and Resulting Economic Crash Have Caused the Greatest Health Insurance Losses in American History. July 2020. Available at <https://www.familiesusa.org/resources/the-covid-19-pandemic-and-resulting-economic-crash-have-caused-the-greatest-health-insurance-losses-in-american-history/>.

<sup>3</sup> Texas Health and Human Services. Women’s Health Programs Report Fiscal Year 2019. (May 2020).

<sup>4</sup> See HHSC Letter to Governor and LBB Director. Five Percent Biennial Budget Reduction Plans (Jun. 15, 2020). <https://hhs.texas.gov/sites/default/files/documents/about-hhs/budget-planning/20-21-biennium-budget-reduction-plan.pdf>.

<sup>5</sup> HHSC Letter to Governor and LBB Director. Five Percent Biennial Budget Reduction Plans (Jun. 15, 2020).

and other services that they need during the recession and public health crisis. In late 2019 before the pandemic, Texas families were already facing big delays in Medicaid and SNAP application processing due to high turnover and unfilled positions. This proposed cut will make things even worse. Amidst a global health pandemic, job losses, and rising uninsured rate, Texas should alleviate burdens -- not add hurdles -- for children to get health care and food.

- **Oversight of child care and other facilities.** HHSC warned with respect to cuts to child care oversight that, “Reductions to salary costs and critical travel will negatively impact the health and safety of individuals served” and could result in “Delaying timely investigations of allegations of abuse, neglect, or exploitation.”<sup>6</sup> Cuts to child safety services come in the midst of COVID-19 outbreaks in child care and after the Legislature passed numerous bipartisan bills in 2019 to improve child care oversight and end child fatalities in child care. Safer childcare and safer foster care is something you and your fellow legislators have recognized and prioritized, but these cuts reverse that progress.

At a time when Texas needs to address our economic recovery, cuts to services for kids and families will slow our recovery down. We need healthy Texas kids and families in order to get back to work, back to class, and for parents to take care of kids.

**As a member of the LBB board, you play a critical role in shaping the state legislature’s values and priorities.** You can ensure families thrive and Texas continues to prosper. If the LBB is tasked with a vote on these proposed reductions, we urge you to vote against HHSC’s cuts to health and other services for Texas kids.

Sincerely,

Stephanie Rubin  
CEO  
Texans Care for Children

CC: Members of Senate Finance Committee  
Members of House Appropriations Article II Committee  
Office of the Governor Director of Policy and Budget Sarah Hicks  
Office of the Governor Policy Advisor Heather Fleming  
Legislative Budget Board Director Jerry McGinty  
HHSC Executive Commissioner Cecile Young  
HHSC Chief Financial Officer Trey Wood

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<sup>6</sup> HHSC Letter to Governor and LBB Director. Five Percent Biennial Budget Reduction Plans (Jun. 15, 2020).