November 19, 2026

Eric Beverly, Executive Director
Sunset Advisory Commission
PO Box 13066
Austin, TX 78711

Submitted via email to sunset@sunset.texas.gov

Re: Sunset Advisory Commission Staff Report on the Health and Human Services Commission

Dear Mr. Beverly:

The Sunset Advisory Commission's November 2026 staff report identifies important opportunities to strengthen the Health and Human Services Commission's (HHSC) contract oversight, improve data management, and establish more effective stakeholder engagement processes. We support these recommendations and encourage additional steps to ensure improvements translate into meaningful access to health care for Texans enrolled in Medicaid and CHIP.

In particular, HHSC must evaluate whether Medicaid reimbursement rates are sufficient to support adequate provider networks, reduce administrative barriers to provider participation, and ensure Medicaid and CHIP members have meaningful opportunities to share their experiences with the agency.

We support Sunset staff recommendations under Issue 2 to strengthen HHSC's stakeholder engagement processes.

We support giving HHSC greater flexibility to eliminate duplicative or ineffective advisory committees, provided this does not reduce meaningful opportunities for stakeholder input. We particularly support Recommendation 2.2 to establish clear and consistent policies for engaging stakeholders on Medicaid and CHIP policy changes, as well as Recommendations 2.4 and 2.5 to improve how the agency uses advisory committees and work groups.

Stakeholders should have opportunities to provide input early enough to influence decisions, and HHSC should communicate how that feedback is considered. Importantly, engagement must extend beyond providers and

organizations that regularly work with the agency. People enrolled in Medicaid and CHIP should have opportunities to share their experiences directly with HHSC.

We also support Recommendation 2.6 to strengthen complaint and inquiry tracking. HHSC should use this information to identify broader patterns involving managed care organizations (MCO) performance, provider access, and barriers that members experience when trying to obtain care.

We support Sunset staff recommendations under Issue 3 to strengthen HHSC's contract oversight and accountability for managed care organizations.

Effective contract oversight is essential to ensuring MCOs meet their obligations to the children, pregnant women, and other Texans they serve. We support Recommendations 3.7 through 3.10 to strengthen contract monitoring, standardize liquidated damages, review contract requirements and performance measures during reprocurement, and prioritize enhanced monitoring based on risk.

We particularly support Recommendation 3.8 to standardize the assessment of liquidated damages. Without clear definitions and consistent application, HHSC cannot ensure MCOs are held accountable for performance failures. We also strongly support Recommendation 3.9 to review contract requirements and performance measures during reprocurement. For Medicaid managed care, these measures should reflect whether members can actually access timely, appropriate care, including provider participation and appointment availability.

We support Sunset staff recommendations under Issue 4 to strengthen HHSC's data governance and management.

We support Recommendations 4.1 through 4.5 to improve HHSC's data governance, management, and data-sharing processes. Fragmented data systems and inconsistent data practices limit the agency's ability to identify problems, evaluate program performance, and make informed decisions.

HHSC needs reliable information about Medicaid enrollment, provider participation, access to care, and member outcomes. The Legislature should ensure the agency has the leadership, resources, and coordinated data infrastructure necessary to produce and use this information effectively.

We encourage the Sunset Commission to add a recommendation under Issue 3 to connect Medicaid reimbursement rates to provider network adequacy.

When there are not enough providers participating in Medicaid, HHSC should evaluate whether reimbursement rates contribute to inadequate networks and barriers to care. Network adequacy requirements cannot be

meaningful if the state does not also address the conditions that affect providers' willingness and ability to participate.

Proposed Change: Direct HHSC to evaluate Medicaid reimbursement rates when provider shortages or inadequate networks limit members' access to care. Reviews should consider provider participation, appointment availability, and geographic access, and identify rate adjustments needed to support an adequate network of care.

We encourage the Sunset Commission to add a recommendation under Issue 3 to reduce administrative barriers to Medicaid provider enrollment.

Complicated and time-consuming Medicaid provider enrollment processes can discourage providers from participating in the program or delay their ability to serve members. Improving reimbursement rates alone will not ensure adequate provider networks if providers face significant administrative barriers to joining Medicaid.

Proposed Change: Direct HHSC to evaluate the Medicaid provider enrollment process, identify unnecessary administrative requirements and delays, and develop a plan to make enrollment more straightforward and efficient.

We encourage the Sunset Commission to recommend that HHSC improve access to substance use services for families through its existing partnership with Be Well Texas.

HHSC's partnership with UT Health San Antonio's Be Well Texas provides an existing statewide resource for connecting families and health care providers to substance use treatment and recovery support. Through 24/7 navigation, virtual and in-person services, and a network of treatment providers, Be Well can help families access care regardless of where they live, including in areas with limited health care resources. Its expertise in maternal substance use consultation also positions it to expand timely treatment for pregnant patients, helping prevent substance use-related maternal deaths and family separations.

Proposed Change: Direct HHSC to leverage its existing partnership with Be Well Texas to provide families at risk of DFPS involvement with timely, accessible, evidence-based substance use treatment and recovery services, rather than relying on local mental and behavioral health authorities to coordinate these services. This approach would allow HHSC to use existing statewide capacity and facilitate immediate admission of pregnant patients to treatment in accordance with state and federal priority admission requirements.

We encourage the Sunset Commission to strengthen the recommendations under Issue 2 to ensure Medicaid and CHIP members have meaningful opportunities to provide feedback.

HHSC cannot fully understand whether Medicaid and CHIP are working for the people they serve without regularly asking members about their experiences. Families are often the first to experience problems with provider access, appointment availability, coverage transitions, and navigating the health care system. This feedback can help HHSC identify problems that may not be visible in administrative data or reports from contractors.

Proposed Change: Require HHSC to establish regular, accessible opportunities for Medicaid and CHIP members to provide feedback about their experiences accessing care and navigating the programs. HHSC should use this information to inform MCO oversight, contract requirements, performance measures, and policy decisions, and communicate how member feedback is being addressed.

Texans Care for Children appreciates the Sunset Advisory Commission's review of HHSC and supports efforts to strengthen contract oversight, improve data management, and establish more effective stakeholder engagement. We encourage the Legislature to ensure these improvements translate into meaningful access to care by holding MCOs accountable, evaluating reimbursement rates when provider networks are inadequate, reducing administrative barriers to provider participation, improving access to substance use treatment, and making member feedback a routine part of how HHSC evaluates and improves its programs.

We appreciate your consideration. For additional information, please contact me at dforester@txchildren.org.

Sincerely,

Diana Forester
Director of Health Policy