Diana Forester
Director of Health Policy
dforester@txchildren.org
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Ensure Newborns Get the Health Coverage They Are Eligible For

Support continued implementation of HB 3940 and identify additional steps to ensure eligible newborns are enrolled in Medicaid health insurance quickly and can access care without delays.

During the Critical, Stressful First Months of a Baby's Life, We Don't Want Parents to Skip Pediatrician Appointments Due to Confusion about Insurance.

The first weeks and months of life are critical for preventive care, screenings, developmental monitoring, and early identification of health concerns. Texas Health Steps requires a newborn screening as part of the two-week checkup, and DSHS instructs providers to perform the screening regardless of whether the infant has been assigned a Medicaid number.[1]



Parents should not delay or skip these important appointments because they are confused about their baby's coverage or worried they will be responsible for the cost.

Under Current Law, Babies Born to Moms with Medicaid Health Insurance Should Be Automatically Enrolled in Medicaid for a Year. But Many Are Not.

When a mother is enrolled in Medicaid at the time she gives birth, her newborn is eligible for Medicaid from birth through the first full year of life and should be automatically enrolled.[2] However, Texas data show that the automated process does not work for every eligible newborn.

In 2024, nearly **1 in 4 newborns** whose moms had Medicaid health insurance at the time of birth — approximately **44,000 babies** — were not automatically enrolled in Medicaid. Instead, their enrollment had to be completed manually, a process that took an average of 17 days.[3]

HB 3940 Was an Important Step. Now Texas Needs to Make Sure It Works.

HB 3940, passed in 2025 during the 89th Legislature, requires HHSC and health care providers to give families and providers information about newborn Medicaid coverage. It also makes clear that providers may use the mother's Medicaid ID on claims while the newborn's individual Medicaid ID is being assigned.[4]

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[1] Texas Department of State Health Services. Newborn Screening – Frequently Asked Questions. Texas Health Steps provider guidance.

[2] 42 C.F.R. § 435.117, Deemed Newborn Children; Texas Health and Human Services Commission. Texas Works Handbook, A-125, TP 45 Provider Referral Process.

[3] Texas Health and Human Services Commission. (2025). Newborn Medicaid Enrollment and Manual Certification Data for 2024. [Unpublished administrative data].

[4] H.B. 3940, 89th Texas Legislature, Regular Session (2025).

These protections can help when automatic enrollment does not occur. But families and providers should not have to rely on a manual process to access coverage a newborn is already entitled to receive.

Texas should:

- **Fully implement HB 3940.** Ensure hospitals, pediatric providers, MCOs, and parents receive clear information about newborn Medicaid coverage and know that the mother's Medicaid ID may be used while the baby's individual ID is being assigned.
- **Make sure newborns can access care.** Providers should not delay or deny medically necessary newborn care because an eligible infant does not yet have an individual Medicaid ID.
- **Improve automatic enrollment.** HHSC should ensure its systems and processes automatically enroll eligible newborns without requiring manual intervention.
- **Track and address enrollment failures.** HHSC should monitor how often automatic enrollment fails, how long manual enrollment takes, and where breakdowns in the process occur.

Texas leaders should ensure that every eligible newborn should be able to get Medicaid coverage — and use that coverage when they need it.