



**Human Services Committee**  
**TACCHO Testimony for Senate Bill 73**  
**May 4, 2021**

Good morning Representative Frank and members of the Committee. Thank you for the opportunity to provide comments regarding Senate Bill 73.

My name is Stephen Williams and I am the Director of the Houston Health Department. I chair the SB 969 Public Health Funding and Policy Committee and I am the Lead for the Texas Association of City and County Health Officials (TACCHO) on issues related to Medicaid and the 1115 Waiver.

TACHHO applauds the Health Care Transformation Waiver Team for their work on the DSRIP transition program proposals. TACHHO is actively working with HHSC on the Public Health Provider – Charity Care Program (PHP-CCP), which is the primary DSRIP transition program to support Local Health Departments (LHDs). We are encouraging HHSC to adopt core services provided by LHDs into this program, such as immunizations and chronic disease prevention.

The PHP-CCP is a viable reimbursement solution for the uninsured population. LHDs still face significant contracting challenges with Managed Care Organizations (MCOs). This impedes the ability to receive reimbursement for services rendered to Medicaid clients. I support Senate Bill 73 because it is crucial for LHDs in Texas to receive reimbursement from MCOs for services that health departments currently provide to Medicaid recipients. While this designation will help, LHDs must have executed contracts and be considered in-network to fully maximize reimbursements. There are significant contracting challenges with MCOs and I hope Senate Bill 73 will be the first step in MCOs being more intentional with contracting with LHDs.

Public Health departments have traditionally been a provider of services to Medicaid clients. However, the transition from a traditional Medicaid model to Medicaid Managed Care has presented substantial barriers to full participation by LHDs.

In the current Medicaid environment, MCOs have been required by HHSC to reimburse several provider types (such as schools of Optometry) for services provided to Medicaid recipients and to attempt to contract with LHDs.

Our experience has shown that even when services are covered by Medicaid, high risk populations continue to seek services through LHDs primarily due to access issues. Without Medicaid reimbursement, these services are supported through local dollars only.

Recognizing LHDs as a provider type would allow health departments to be reimbursed for services that are already funded through the State's Medicaid program. This recommendation would not require additional Medicaid funding but would simply allow LHDs to access these funds and be reimbursed for services that they are providing and for which they are not being reimbursed.