

The Texas Coverage Gap

What is it?

U.S. citizen adults in Texas who do not get health insurance through their job and do not qualify for financial help in the Marketplace.

Who does it impact?

SMITH FAMILY



Office clerk and part-time home health aide

Occupation

JONES FAMILY



Maintenance worker and stay-at-home mom

\$23,500

Household Income

\$24,500

Yes!

Children on Medicaid

Yes!

\$0

Available Annual Financial Assistance

\$4,764

\$440

Monthly Premiums

\$43

1 million Texans are in the gap, enough to fill the city of Dallas.



Top five occupations most affected by the coverage gap

	Sales	124,000
	Food Service	113,000
	Office & Administrative Support	103,000
	Construction	79,000
	Transportation	70,000

In Texas, 76% of adults in the coverage gap are in working families.

Key Facts: Closing the Coverage Gap in Texas

1. **Texas Association of Business supports coverage expansion. “It just makes sense for us from the business perspective.”** <http://insurancenewsnet.com/oarticle/2014/11/28/will-legislature-reverse-course-and-expand-medicaid-a-575165.html#.VL6suEff9rg>. TAB Legislative agenda (see page 12): <http://www.txbiz.org/advocacy/publications.aspx>
2. **The Texas Hospital Association promotes the “Texas Way,” a solution that would negotiate with the Federal government to draw down money but design the program ourselves.** <http://healthcare.dmagazine.com/2014/11/11/texas-hospital-associations-texas-way-campaign>; <http://www.tha.org/HealthCareProviders/Issues/HealthCareCoverage/TexasWay/>
3. **The Perry-appointed Institute on Health Care Quality and Efficiency recommends expanding coverage.** <http://www.texastribune.org/2014/11/12/perry-appointed-board-endorses-coverage-expansion/>
4. **Former State Deputy Comptroller Billy Hamilton estimates that Medicaid expansion would free up a minimum of 1.2 billion of 2014-2015 General Revenue (GR) that is currently expended on this same population through a patchwork of healthcare programs for the uninsured.** <http://texasimpact.org/content/extending-medicaid-low-income-adults-would-free-more-1-billion-gr-2014-2015>. Full report on his assessment of what Medicaid expansion would do to the Texas economy can be found at: <http://texasimpact.org/2013-Medicaid-Expansion-Report>
5. **The Perryman Group estimates that “every \$1 spent by the State returns \$1.29 in dynamic State government revenue over the first 10 years of the expansion. In other words, the State actually makes money by participating in the Medicaid expansion.”** Dr. Perryman is a well-known and oft-cited economist at Rice University: http://perrymangroup.com/wp-content/uploads/Medicaid_Expansion.pdf.
6. **Funds could be acquired from budget offsets and/or increased general revenue as suggested by Billy Hamilton and the Perryman Group. HHSC and LBB 2014-2017 estimates on the state GR cost for doing Medicaid expansion in Texas are no more than 1.03 billion a biennium.** <http://www.hhsc.state.tx.us/news/presentations/2012/080112-Senate-HHS-ACA-Presentation.pdf>; http://www.lbb.state.tx.us/Documents/Appropriations_Bills/83/Decision_Docs/Expansion%20Estimate%20March%2004%202013.pdf
7. **PricewaterhouseCooper’s report on Medicaid Expansion’s effect on uncompensated care, which speaks to hospital financing and how hospitals will suffer without some sort of Medicaid Expansion.** <http://www.pwc.com/us/en/health-industries/health-research-institute/assets/pwc-hri-medicaid-report-final.pdf>.
8. **Harris Health Systems in Houston has laid off 113 people. “Harris Health officials have blamed the deficit on several factors, chief among them the state's decision not to opt for expanded Medicaid from the federal government.”** <http://www.houstonchronicle.com/news/houston-texas/houston/article/Harris-Health-laying-off-113-workers-will-leave-6012993.php>
9. **A Jackson-Hewitt report states that “the decision in Texas to forego the Medicaid expansion may increase federal tax penalties on Texas employers by \$266 to \$399 million each year.”** State Medicaid Choices and the Hidden Tax Surprises for Employers: http://www.jacksonhewitt.com/uploadedfiles/jacksonhewitt2014com/content/resource_center/healthcare_and_taxes/resources/medicaidchoices_taxsurprises.pdf

Infographic Sources: Families USA: <http://familiesusa.org/product/top-9-occupations-employed-uninsured-texans-who-would-benefit-closing-coverage-gap> (employment); Kaiser: <http://kff.org/health-reform/issue-brief/the-coverage-gap-uninsured-poor-adults-in-states-that-do-not-expand-medicaid-an-update/> (working families); HHSC - <http://www.hhsc.state.tx.us/news/presentations/2013/030813-medicaid-expansion.pdf>; (# in gap).

For online list of resources go to: www.TexasWellandHealthy.org or www.CoverTexasNow.org