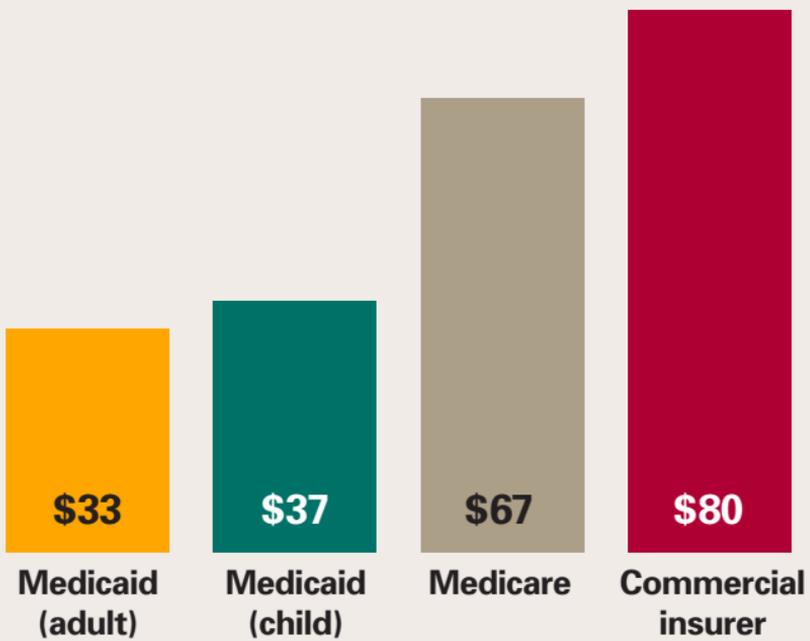


HEALTHY VISION 2025

Shrewdly Investing New Medicaid Dollars Will Benefit All Texans

Across Texas, physicians are struggling to provide care for 4 million adults and children on Medicaid. Payment rates set by the state are roughly 20 years old, do not cover the actual cost of care, and in many cases pay half or less of what Medicare pays for the same service. Low Medicaid physician payments contribute to higher health care costs for all Texans. As small businesses, physicians must charge private-paying patients more to help cover their Medicaid losses. Hospital systems that employ physicians or contract for their services must charge private-paying patients and health plans more to close the gap, contributing to higher health insurance premiums.

Medicaid Physician Payments Lag Substantially



***Payment for Moderate Complexity
Established Patient Visit***

(continued)



Physicians Caring for Texans

TMA's Targeted Prescription for Medicaid

The Texas Medical Association urges lawmakers to allocate **\$500 million (general revenue)** to increase Medicaid payment rates to Texas physicians targeted towards increasing value-based care, extending Medicaid postpartum coverage, and eliminating red tape that results in eligible children being unfairly kicked off Medicaid. Wise investments in Medicaid will save lives, lower private health insurance premiums, and save taxpayer costs.



Bolster effective, efficient, and value-driven care in Medicaid. Devote higher Medicaid payments for cost-saving collaborations between physicians and Medicaid managed care organizations (MCOs). Texas needs new state dollars targeted towards Medicaid physician services; otherwise, we will not be able to maintain innovative MCO-physician collaborations — and their cost-saving potential.



Target other high-need/high-reward areas. Direct the Texas Health and Human Services Commission (HHSC) to convene a Physician-Payment Advisory Committee to advise the agency on how best to distribute the funds to (1) reward innovative, value-based delivery models; (2) improve patient health outcomes and lower costs; and (3) address Texas' critical health care challenges, such as maternal and child health; mental health and substance use disorder treatment; and rural, border, and underserved physician networks.



Extend Medicaid postpartum coverage from two months to 12 months. Three hundred eighty-two Texas mothers died within a year of giving birth between 2012 and 2015. More than half of these deaths occurred more than two months after the baby was born. **Current Medicaid coverage ends two months postpartum.**

Direct HHSC to pursue a federal demonstration waiver to increase access to comprehensive services for low-income women before and after pregnancy, including substance use treatment and behavioral health care.



Establish 12 months' continuous coverage for children on Medicaid. Texas already provides such coverage to children enrolled in the Children's Health Insurance Program. Providing this coverage to children on Medicaid is the **single most important step Texas can take to increase health insurance coverage among children.**



Physicians Caring for Texans

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