

Code Red Task Force recommends plan to increase Texans' access to health insurance

January 13 2015, by Amy Mccaig

A Texas-sized prescription is needed to expand health insurance coverage for residents of the Lone Star State and to prevent the loss of billions of dollars in federal assistance for the state, according to a report by the Code Red Task Force on Access to Health Care in Texas released Jan. 7 at a public forum hosted at Rice University's Baker Institute for Public Policy.

Code Red is a state health care group focused on improving the health of all Texans. The task force is chaired by Steve Murdock, the Allyn R. and Gladys M. Cline Professor In Sociology at Rice.

In its 2015 report, the task force recommends the implementation of TxRx—the Texas Prescription Plan—which would require negotiating with the Centers for Medicare & Medicaid Services to use federal funds to help more Texans obtain private health insurance.

Roughly 24 percent of Texans—nearly 6 million people—have no [health insurance coverage](#), which is the highest uninsured rate in the United States. About 20 percent of Texans have not seen a doctor in the past 12 months because of the cost.

The TxRx plan would target individuals in the "coverage gap"—those who do not make enough money to pay for a [private health insurance](#) plan but are not eligible for federal subsidies or Texas Medicaid. TxRx plan premiums would be based on income, and participants would receive incentives for healthy behaviors and activities.

"This plan will expand [health care coverage](#) to more Texans while ensuring that it is specifically tailored to Texas needs and conditions, and participants are personally invested in any plan developed," Murdock said.

He said failure to implement the TxRx plan would result in the loss of about \$66 billion in direct federal assistance to Texas and an estimated \$35 billion to \$40 billion in secondary benefits, while Texans will pay \$32 billion in federal taxes that would be used to support Medicaid insurance expansion in other states.

"Texas has an historic opportunity to provide coverage for its lowest income citizens at little or no cost to the state budget and in a way that will lower the burden on local taxpayers and reduce the justification for increasing charges on the insured," said task force member David Warner, a professor of health and social policy at the University of Texas at Austin. "It would be imprudent not to at least discuss the options that might be available."

The task force also recommended renewal and extension of the Texas Health Care Transformation and Quality Improvement Program, known as the Medicaid 1115 Waiver, which has played a major role in addressing the needs of the uninsured and underinsured. Other recommendations include improving health care delivery systems, increasing support for behavioral and mental health initiatives and increasing the state's health care workforce.

A complete copy of the report is posted online at www.coderedtexas.org.

Members of the task force—all volunteers—met over the course of the last year, listening to testimonies and presentations from more than 30 witnesses representing local government and employers, [health care](#) providers and public policy makers.

"Twenty-two busy and very knowledgeable individuals, from a wide variety of backgrounds and perspectives from across the state, served pro bono to produce a consensus report on some of the most important issues challenging our state," said Dr. Kenneth Shine, a senior adviser to the [task force](#) and former executive vice chancellor for health affairs at the University of Texas System. "Their analysis and recommendations deserve very serious consideration during this year's debates."

Provided by Rice University

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