

August 18, 2020

On behalf of the Texas Women's Healthcare Coalition, I am writing to express concerns regarding the proposed Health and Human Services Commission's (HHSC) funding cuts to the Family Planning Program (FPP) and Healthy Texas Women (HTW) program for the remainder of this biennium.¹ These proposed cuts would undermine the Legislature's efforts to support healthy moms, healthy pregnancies, and healthy babies. The proposed cuts would end up costing the state more during our next budget cycle, and would harm families who are already hurting during these very difficult times. Considering the global health pandemic and over a million Texans losing employer-sponsored health insurance, we cannot afford to cut any health services, including women's health.

The Texas Women's Healthcare Coalition (TWHC) – composed of 87 healthcare, faith, and community- based member organizations – is dedicated to improving the health and well-being of Texas women, babies, and families by ensuring access to preventive health care for all Texas women. HTW and FPP provide essential preventive women's healthcare screenings, family planning services, and limited screening and treatment for chronic conditions to those without access to other forms of healthcare coverage. In FY 2019 alone, there were a total of 3,255 HTW and FPP providers that served over 291,000 individuals.²

Preventive Healthcare Contributes to Cost Savings

In addition to providing essential services, **HTW and FPP save state dollars**. The cost savings are realized by helping women avoid unintended pregnancies, which then result in savings from eliminating Medicaid labor and delivery costs and a year of infant healthcare. Recent reports^{3 4} ⁵from HHSC have detailed the following general revenue cost savings for each program:

Family Planning Program	FY 2017	FY 2018	FY2019
Clients Served	96,984	106,224	99,778

¹ Texas Health and Human Services Commission, <u>Five Percent Biennial Budget Reduction Plans</u> (Letter dated June 15, 2020).

 ² Texas Health and Human Services. Women's Health Programs Saving and Performance Report Fiscal Year 2019. May 2020.
³ Ibid.

⁴ Texas Health and Human Services. Women's Health Programs Saving and Performance Report Fiscal Year 2018. May 2019.

⁵ Texas Health and Human Services. Women's Health Programs Saving and Performance Report Fiscal Year 2017. May 2018.

State Cost Savings	\$44.2 million	\$47.1 million	\$42.9 million
Healthy Texas Women	FY 2017	FY 2018	FY2019
Clients Served	122,406	172,023	191,278
State Cost Savings	\$63.1 million	\$87.9 million	\$96.8 million

These savings are from fiscal years when HTW was fully funded by GR. With the Medicaid family planning waiver now in place, net GR savings will be far higher.

Texas Should Build on Recent Progress Made

Women's health in Texas has a long history of programmatic and administrative disruptions, and it is the providers and clients bearing the brunt of these changes. The 2011 family planning budget cuts resulted in at least 82 women's healthcare clinics closing,⁶ cutting off preventive care, including well-woman examinations, breast and cervical cancer screenings, and contraception for low-income women. As a result, the state saw a rise in Medicaid births in 2014-2015 and an increase in costs in Medicaid by approximately \$103 million.⁷

In recent years, the Legislature has shown its commitment to rebuilding these programs and ensuring Texas women have access to healthcare. It has taken many years to stitch the safety net back together after the last budget cuts. As the state continues responsive measures to preserve physical and fiscal health during the COVID-19 emergency, Texas cannot afford to cut support to healthcare programs, especially ones that have proven cost-savings.

Even if HHSC's proposed reductions to HTW and FPP are focused more on contract funds over fee for service, clients and providers will still feel the impact. HTW cost reimbursement ensures funding for activities including: HTW client enrollment assistance; client and community-based educational activities; and staff development and training related to HTW service delivery. These activities are designed to work in tandem with HTW fee for service to support positive client outcomes. By cutting this funding source, the state runs the risk of inadvertently undermining providers who need these funds for outreach, client and provider education, and other resources to ensure quality service delivery.

⁶Dr. Kari White, Co-investigator on Texas Policy Evaluation Project, Testimony to the Texas Senate Health and Human Services Committee, September 13, 2016, http://liberalarts.utexas.edu/txpep/legislative-testimony/HHSC%20White.php

⁷ Texas Health and Human Services Commission. Legislative Appropriations Request Fiscal Years 2014-2015.

Likewise, the FPP fee for service and infrastructure funding are both equally important. Contractors utilize the money for client services but also to develop and maintain the infrastructure needed to provide those services, such as clinic facilities, staff salaries, and utilities. FPP is a cornerstone of our women's healthcare safety net. Services are consistently in high demand and program funds routinely run out before the end of the funding cycle – and demand likely will increase as Texans weather the pandemic and experience increased uninsurance rates.

Preventive Healthcare Improves Maternal Health

Texas' efforts to reduce maternal mortality and morbidity is intrinsically linked to women having timely access to preventive and primary care services. Healthy pregnancies begin well before conception. Women who obtain needed preventive care throughout their reproductive life-span are more likely to have better birth outcomes.

HHSC's reduction plan clearly stated that client services that benefit long-term health care for families and children with disabilities were prioritized – as were services directly impacting short-term mortality over long-term health benefits – so it was surprising to learn that women's health services were not prioritized.⁸ The Maternal Mortality and Morbidity Task Force has repeatedly recommended increasing access to preconception and interconnection health care services -- the types of services offered by HTW and FPP – to improve birth outcomes and reduce maternal mortality and morbidity, concluding in its most recent report: "Increasing access to care for all reproductive aged women is important. The management of acute and chronic health conditions and preventive care are essential for healthy pregnancies and long-term health. Healthier women are healthier mothers, and healthier mothers lead to healthier infants and families."⁹

For the reasons outlined above, we strongly encourage reevaluating reducing funding for these vital programs that support women and families and urge continued investments in HTW and FPP.

The TWHC represents 87 organizations providing direct healthcare, advocacy, or other community-based services across Texas. We are eager to work with you on this issue. We are happy to provide any additional information and welcome the opportunity to schedule follow-up conversations on the women's health budget and other topics relating to women's health.

⁸ Texas Health and Human Services Commission, Five Percent Biennial Budget Reduction Plans (Letter dated June 15, 2020).

⁹ Texas Department of State Health Services, Maternal Mortality and Morbidity Task Force and Department of State Health Services Joint Biennial Report (September 2018).

Sincerely,

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