Texas Women’s Healthcare in Crisis

Texas must increase access to preventive healthcare to lower taxpayer costs and to ensure the well-being of low-income women and their babies.

A statewide coalition dedicated to improving the health and well-being of women, babies, and families by assuring all Texas women of access to preventive care.
Texas women’s healthcare faces a perfect storm, with stark public health consequences.

Executive Summary

Texas must meet the urgent and growing need for women’s preventive services by restoring funding to women’s healthcare programs, ensuring ample provider capacity, and rebuilding Texas’ women’s healthcare safety net.

The safety net is reeling from severe funding cuts and a loss of providers to its essential programs. The loss of basic preventive and wellness care has increased Medicaid caseloads and costs — in the three years from 2013 through 2015, Texas taxpayers will pay an extra $136 million for maternal and infant care.

The 2011 Texas Legislature deeply cut the Department of State Health Services (DSHS) Family Planning program. As a result, at least 53 women’s healthcare clinics have closed, cutting off preventive care, including well-woman examinations, breast and cervical cancer screenings, and contraception for 147,000 low-income women.

On top of these clinic closures and cutbacks, the Women’s Health Program (WHP), which serves an additional 130,000 low-income women, is at risk due to the state rule excluding specific providers. The program may no longer have the physicians, clinics, and other health care providers needed to meet the growing demand for services. The WHP also lost its federal designation, and with it, more than $30 million in federal funds each year. In 2013, the legislature must find and approve funding for the program to survive.

The public health consequences for Texas are severe. One in three Texas women of childbearing age are uninsured. And more than 1 million Texas women aged 20-44 need publicly supported preventive care and birth control. Texas must quickly rebuild its women’s health safety net to forestall a progression of undetected breast and cervical cancer, prevent complications of undetected diabetes and high blood pressure, reduce the occurrence of unplanned pregnancy, and improve the health of women and their families.

What Texas Must Do

Texas must turn its women’s healthcare crisis around as quickly as possible. We must:

1. Restore funding for women’s preventive care to at least 2010-11 levels.
2. Fully fund the Women’s Health Program.
3. Ensure ample provider capacity for the Women’s Health Program.

Ideally, Texas should fund services to reach all of the more than 1 million women who need affordable preventive care. This would require an estimated total of $218 million per year, if all were served by the DSHS Family Planning program.

Women’s preventive care saves lives and money.
The Critical Role of Preventive Care

Access to preventive healthcare is critically important to the health and well-being of women and their babies. Preventive care detects health problems, facilitates early treatment, helps women prepare for a healthy pregnancy, and helps them avoid unplanned pregnancy. Texas has two programs that provide these services for low-income women: the Department of State Health Services (DSHS) Family Planning program and the Women’s Health Program (WHP). The former has suffered severe funding cuts. The latter faces challenges to both its funding and its provider work force and — depending upon court decisions — may end completely.

In 2011, over 300,000 low-income women received essential healthcare from the DSHS Family Planning program and the WHP. For many women, these programs are their only contact with a healthcare provider.

The DSHS Family Planning program is supported mostly by federal dollars from Title X (Family Planning), Title XX (Social Services Block Grant), and Title V (Maternal and Child Health Block Grant). In the 2010-11 biennium, it received $111.3 million, 80 percent of which was federal funding. It provided preventive care and contraception to an estimated 211,980 clients in Texas fiscal year 2010.

The Texas Legislature authorized the Women’s Health Program, which began in 2007, to provide preventive care and birth control for low-income adult women. Initiated as a five-year Medicaid waiver demonstration project, WHP has been funded 90 percent by the federal government. The program has provided care to as many as 130,000 low-income women aged 18-44 per year.

As a Medicaid program, the WHP has significantly expanded access to preventive care for Texas women, while reducing federal and state tax costs. However, the DSHS Family Planning program and WHP have not been able to meet the growing demand for services or maximize the state’s savings from prevention of unplanned pregnancies.

In addition to basic preventive, wellness, and preconception care, both programs provide contraceptive counseling and a variety of effective birth control methods, but they do not provide abortions (see Table 1).

Women’s preventive care saves lives and money. Screening detects health problems early, before they cause complications and become more expensive to treat. For breast and cervical cancer, early treatment means a greater likelihood of effectiveness; for diabetes and high blood pressure, it can prevent hospital admissions. Detection of depression and domestic violence provides critical opportunities for intervention and for connecting women to treatment and support services. Early treatment of sexually transmitted infections can preserve fertility. Treatment before a woman becomes pregnant can prevent devastating health consequences for the fetus and newborn, as well.

Contraception is a vital part of preventive care. When women and couples are able to plan and space their pregnancies, babies have less risk of prematurity and low birth weight. Planned pregnancies have a healthier start, with earlier prenatal care, less alcohol and tobacco exposure, more folic acid to prevent birth defects, more breastfeeding, and many positive outcomes for children. The ability to plan pregnancies allows women and families to achieve their educational goals and improve their financial situation.

Access to contraception, particularly the highly effective, longer-acting methods such as intrauterine devices (IUDs) and subdermal implants, markedly reduces unplanned pregnancy and can also reduce the number of abortions.

Table 1: Women’s Preventive Healthcare Services

<table>
<thead>
<tr>
<th>Services Provided</th>
<th>Description</th>
</tr>
</thead>
</table>
| Annual Health History and Physical Exam | • Weight and height
• Blood pressure and cardiovascular checkup
• Mental health history (e.g., depression)
• Assessment for family violence
• Tobacco, alcohol, and illicit drug use
• Breast exam if recommended
• Pelvic exam if recommended
• Evaluation of other systems if recommended (e.g., thyroid, lungs, abdomen) |
| Follow-up Visits | For contraceptive management* |
| Recommended Laboratory Tests | • Cervical cancer (e.g., Pap smear)
• Sexually transmitted infections and HIV
• Diabetes
• Anemia
• Pregnancy
• Rubella immunity |
| Treatment for Sexually Transmitted Infections | • Gardnerella
• Trichomoniasis
• Candida
• Chlamydia
• Gonorrhea
• Herpes |
| Contraceptive Counseling, Methods, and Devices | • Birth control methods**
• Abstinence information
• Natural family planning instruction
• Sterilization and related procedures |
| Referrals | For medical problems not covered in the program |
| Radiology Services | • If needed for contraceptive management
• Planning for a healthy pregnancy |
| Pre-Conception Counseling*** | Help when having difficulty getting pregnant |
| Infertility Counseling*** | By a registered dietician |
| Nutritional Counseling*** | NOT Abortion |

*The DSHS Family Planning program also provides limited follow-up exams unrelated to contraception (e.g., to review abnormal Pap results, testing for sexually transmitted infection).
** WHP covers all Food and Drug Administration (FDA)-approved methods of contraception but not emergency contraception. The DSHS Family Planning program requires providers to make available a broad range of FDA-approved methods, including emergency contraception.
***Provided by the DSHS Family Planning program but not by the WHP.
Even before recent cuts, the need for women’s preventive care far exceeded the state’s ability to provide it.

Texas’ Massive Need for Services

Unfortunately, many Texas women go without preventive care. Across the state, more than 1 million women aged 20-44 need publicly supported healthcare and contraception. Even when Texas’ two family planning programs were fully functioning, they could provide services to only about one-third of the women who needed care (see Figure 1).

Texas has the highest rate of uninsured women of childbearing age (15-44). One in three Texas women in this age group have no health insurance, and the percentage uninsured is increasing. In 2009-11, it averaged 34.2 percent, while need for women’s publicly supported preventive care increased 12 percent between 2000 and 2008. Plus, Texas ranks first in the percentage of women who have not seen a doctor in the past year due to cost.

Access to contraception is not easy for low-income women.

Texas women with incomes up to 185 percent of the federal poverty level (about $35,300 for a family of three) are eligible for Medicaid for their pregnancy care. However, nonpregnant women are generally not eligible for Medicaid. Instead these women depend on a patchwork of safety-net providers.

Births due to unplanned pregnancies cost nearly $1.3 billion in Medicaid costs each year in Texas.
Women’s Health Safety Net in Tatters

The 2011 Texas Legislature’s decision to deeply cut the state’s family planning program has had devastating effects on many women’s health providers and the women they serve. The two-thirds cut to the DSHS Family Planning program means 147,000 fewer women can receive preventive care and family planning services.

The enormous funding cut imposed by the 82nd legislature reduced the number of women served annually by the state’s family planning program. In fiscal year 2010, the program served 211,980 women. That number is expected to drop to only 65,000 per year in 2014 and 2015 (see Figure 2).

In addition to the budget cuts, a tier system was enacted to prioritize funding for public clinics and hospitals over family planning clinics. As a result, not one of the lowest-tier clinics received funding — even those unrelated to Planned Parenthood. Because of the scale of the cuts, most of the highest-tier providers also sustained devastating cuts for family planning services.

At least 53 clinics have closed their doors, and two-thirds (66 percent) of these were run by entities unrelated to Planned Parenthood, such as county hospital districts, local health departments, academic medical centers, and community-based family planning clinics. Many other clinics have reduced their hours and number of available appointments.

The clinics remaining open have restricted access to the most effective methods of contraception. Although subdermal implants, IUDs, and other long-acting methods are 20 times as effective as birth control pills, their higher up-front costs mean providers can offer them to only a few women, if any. Many providers also instituted or increased fees and co-pays that place care out of reach for the poorest women.

For example, funding for Texas’ largest provider, Parkland Health and Hospital System in Dallas, was slashed 81 percent: from $6.6 million to about $1.3 million per year. Other public hospitals and universities that lost significant annual funding include Bexar County’s University Health System, The University of Texas Medical Branch at Galveston, and University Medical Center of El Paso. Among federally qualified health centers (FQHCs) experiencing cuts were Midland Community Healthcare Services, which lost all of its family planning funding, and Brazos Valley Community Action Agency, which experienced an 81-percent cut.

In some counties where clinics have closed, program-funded services are no longer available for low-income women. For instance, there is no DSHS Family Planning provider in San Saba, Lampasas, Coryell, Bosque, Bell, or McLennan counties. Public Health Region 1 in the Panhandle area particularly was hard-hit, with a cut of 86 percent. Poor women in need of preventive services in these counties must pay a private doctor or drive long distances to funded clinics, which experienced funding cuts too.

For low-income women, out-of pocket payments and miles of travel are often beyond reach. Even those fortunate enough to live near a publicly supported health clinic find these agencies are struggling to keep up with the increased demand — often with less funding.
Second Blow: Women’s Health Program on the Brink

On top of the deep cuts to the DSHS Family Planning program, the Women's Health Program is at risk. At the end of 2012, the WHP, which serves an additional 130,000 low-income women each year, lost its federal funding. At the same time, the state excluded the program’s most active providers, and the capacity for the remaining providers to meet the need for services is in doubt. Depending on events related to lawsuits, Texas’ WHP could end altogether.

As a Medicaid demonstration project, the WHP was due to sunset at the end of 2011. The 2011 Texas Legislature authorized renewal of the federal waiver but with stricter exclusion of healthcare providers affiliated with abortion providers (i.e., Planned Parenthood clinics). The federal Centers for Medicare & Medicaid Services ruled this exclusion incompatible with Medicaid requirements and declined to renew the state’s waiver.

During 2012, the WHP continued operation as a Medicaid program, with its 90-percent federal funding continued temporarily to allow for a phaseout. The approximately $32.3 million annual federal contribution to the WHP ended Dec. 31, 2012. Texas chose to convert the WHP to an entirely state-funded program. For it to continue, state funding must be identified and approved in 2013.

The new “Texas WHP” excludes affiliates of abortion providers from participation. This “affiliate ban rule” is being challenged in court, and a “poison pill” provision of the new program’s rules would end the Texas WHP completely if the affiliate ban rule cannot be implemented.

Even if the Texas WHP continues, there are concerns about whether provider capacity exists to meet the need for services for the women currently served. A George Washington University study estimated that excluding Planned Parenthood clinics from the Texas WHP affects 52,000 women who would need to find alternative sources of preventive care. This research group found that other providers were not able to expand their capacity enough to absorb these women, especially in less urban areas such as Hidalgo or Midland counties. As a result, a substantial increase in the number of unplanned pregnancies is expected. While the Texas Health and Human Services Commission anticipates more than adequate provider capacity in most areas of the state it surveyed, the actual ability of providers to increase service delivery so extensively has not yet been demonstrated and will need to be monitored.

FQHCs have indicated they do not have the capacity to absorb thousands of Texas WHP clients. After the DSHS program cuts, many of the family planning clinics unaffiliated with Planned Parenthood are not in a position to accept more WHP clients because they have closed or have reduced staff and services.

Physician participation in the WHP has been limited by the narrow spectrum of services covered and by the modest payment rate. Most physician participants accept a limited number of enrollees each month and thus do not have the capacity needed to treat all women seeking services. It will be enormously challenging to recruit the physicians needed.

Texas’ decision to forego federal funding for the WHP limits the program’s potential to address the great unmet need for women’s preventive services. Because it is limited to a set amount of state funds, the Texas WHP does not have the same potential that a Medicaid program has to expand to meet the need for services, or to grow as the population grows.

The new Texas Women’s Health Program faces challenges in finding sufficient provider capacity to serve the need.
To maintain the Women’s Health Program, Texas must replace more than $30 million annually in lost federal funding.

The 2011 Family Planning cuts will cost Texas taxpayers at least $136 million in additional state Medicaid costs in the three years from 2013 to 2015.

### Table 2: By the Numbers — The Heavy Costs for Texas

<table>
<thead>
<tr>
<th>Consequences of the 2011 DSHS Family Planning Cuts</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>147,000 more women without access to preventive healthcare</td>
<td>Higher Medicaid costs: Costs up by at least $33 million in 2013 and $103 million more in 2014-15</td>
</tr>
<tr>
<td>Higher Medicaid costs:</td>
<td>More Medicaid births: More than 23,000 additional babies born in 2014-15</td>
</tr>
<tr>
<td>More Medicaid births:</td>
<td>More than 53 clinics closed; many areas and counties without DSHS-funded family planning clinics</td>
</tr>
<tr>
<td>Fewer clinics:</td>
<td>Less access: Reduced hours and appointments at remaining clinics</td>
</tr>
<tr>
<td>Less access:</td>
<td>Potentially more abortions</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Consequences of the Women’s Health Program “Affiliate Ban Rule”</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>If: State-Run Women’s Health Program</td>
<td>52,000 women must find an alternative provider</td>
</tr>
<tr>
<td>Federal funding lost:</td>
<td>More than $30 million annually</td>
</tr>
<tr>
<td>More Medicaid births:</td>
<td>2,000-3,000 more babies annually</td>
</tr>
<tr>
<td>Higher Medicaid birth costs:</td>
<td>$6-10 million more annually</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>If: Women’s Health Program Ends</th>
<th>130,000 more women without access to preventive healthcare</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal funding lost:</td>
<td>More than $30 million annually</td>
</tr>
<tr>
<td>More Medicaid births:</td>
<td>8,000 more babies born annually</td>
</tr>
<tr>
<td>Higher Medicaid birth costs:</td>
<td>At least $23 million more annually</td>
</tr>
</tbody>
</table>

The Fiscal Costs

The cuts and threats to preventive care have serious fiscal implications for Texas taxpayers. Budget cuts to the DSHS Family Planning program will increase Medicaid costs by at least $136 million by 2015. To replace federal WHP funding, Texas will need to pick up the $30 million-plus tab. Additional Medicaid costs for maternity and infant care will result if the WHP provider capacity is not sufficient to maintain the number of women served.

Preventive care and birth control are as important to the state’s fiscal health as they are to the health of women and their babies (see Table 2). Every dollar used to provide contraceptive care for a woman saves $3.74 in Medicaid costs. Providing preventive services to low-income women saves costs primarily by helping women avoid unplanned pregnancy, and avoiding the Medicaid costs for pregnancy, birth, and infant healthcare.

Even before the cuts to the DSHS Family Planning program, the cost of unplanned pregnancy in Texas was high. In 2006, Texas’ births due to unplanned pregnancies accounted for nearly $1.3 billion in Medicaid costs. Most of these births are to women older than age 20. Medicaid pays for the majority of births in Texas — more than 56 percent in 2009 — at an average cost for maternity care and first-year infant healthcare of approximately $11,000. Preventive care and birth control, in contrast, cost much less: The yearly cost per client in fiscal year 2011 in the DSHS Family Planning program was $206, and the cost per client in the WHP was $313 in calendar year 2009.

The Texas Health and Human Services Commission estimates 23,760 additional babies will be born under Medicaid in 2014-15 due to the DSHS budget cuts. Because of this caseload growth alone (not counting other cost increases, such as inflation), the DSHS Family Planning cuts will cost Texas taxpayers an estimated $33 million in fiscal year 2013, and at least $103 million in general revenue in the 2014-15 biennium.

Loss or decline of the WHP would mean even higher Medicaid costs. In 2010, the WHP averted 8,215 births, saving $54.2 million in all funds and $23.6 million in state general revenue. If the WHP ends, the state would face these additional costs, at a minimum.

Switching the WHP to a state-only funded program means loss of more than $30 million annually in federal funding for the program. A decline in the number of WHP clients served — whether due to inadequate funding, or lack of providers, or both — would cost Texas taxpayers additional millions of dollars in general revenue. Researchers at George Washington University estimate that implementation of the “affiliate ban rule” will mean tens of thousands fewer women receiving services and 2,000 to 3,000 more unplanned Medicaid births each year, which would reduce — or even eliminate — Texas’ $23.6 million annual savings from the program.
Reduced access to women’s preventive care means more undetected cases of:

- Breast cancer
- Cervical cancer
- Diabetes
- High blood pressure
- Sexually transmitted infections
- Depression
- Family violence

Reduced access to highly effective contraceptives increases unplanned pregnancies, which increase the number of:

- Pregnant women receiving late or no prenatal care
- Birth defects, due to fewer women taking folic acid early in pregnancy and fewer women controlling their diabetes before pregnancy
- Fetal exposures to tobacco, alcohol, drugs, and medications
- Premature and low birth weight babies, with increased risk of infant mortality, lifelong health problems, and high medical costs
- Children with poor physical and/or mental health
- Women and men unable to complete their education
- Families unable to rise out of poverty
- Babies born to unmarried women
- Abortions

Sources: See endnotes 11-17.
What Texas Must Do

Texas must turn its women’s healthcare crisis around as quickly as possible. We must:

1. **Restore funding for women’s preventive care to at least 2010-11 levels.**
   At a minimum, funding should be increased to $55.6 million per year to restore access for the 147,000 women cut from the DSHS Family Planning program.

2. **Fully fund the Women’s Health Program.**
   The WHP needs $36 million per year to maintain service for 130,000 women, at a minimum. Continuing the program as a Medicaid-funded partnership would benefit Texas taxpayers by drawing the federal match and enabling the program to grow to meet the statewide need.

3. **Ensure ample provider capacity for the Women’s Health Program.**
   Texas should adopt strategies to ensure that sufficient providers are available in each county and Public Health Region throughout the state to provide WHP services for at least 130,000 women. Enrollment and service levels should be monitored closely, and decreases should trigger immediate and aggressive action to expand provider capacity and client outreach efforts.

Ideally, Texas should fund services to reach all of the more than 1 million women who need affordable preventive care. This would require an estimated total of $218 million per year, if all were served by the DSHS Family Planning program.72

Texas is at a critical crossroads for women’s health services. In 2013, Texas can repair the damage, restore access, and reduce costs.
Swift action is needed to reduce Texas’ fiscal costs and save taxpayers’ dollars while ensuring the health and well-being of low-income women and their babies.
Coalition Membership
as of January 25, 2013

Texas Medical Association*
District XI (Texas) American Congress of Obstetricians and Gynecologists*
Texas Academy of Family Physicians*
Texas Association of Obstetricians and Gynecologists
Texas Pediatric Society
Texas Hospital Association
Texas Nurses Association
Methodist Healthcare Ministries*
Texas Association of Community Health Centers*
Children’s Hospital Association of Texas
Texans Care for Children
Center for Public Policy Priorities*
Department of Ob/Gyn of UNTHSC and the ForHER Institute
National Council of Jewish Women—Texas State Policy Advocacy Network
Women’s Health and Family Planning Association of Texas*
Susan Wolfe and Associates
Family Health Care, Inc.
Healthy Futures of Texas*
Healthy Futures Alliance
Texas Health Institute
Cardea
Austin Physicians for Social Responsibility
Texas Unitarian Universalist Justice Ministry
Center for Community Health, UNTHSC
Gateway to Care
Consortium of Texas Certified Nurse Midwives
Teaching Hospitals of Texas*
University Health System
San Antonio Metro Health Clinic
South Texas Family Planning and Health Corp.

* Steering Committee Members

For more information, contact
Janet P. Realini, MD, MPH,
Steering Committee Chair
info@TexasWHC.org
2300 W. Commerce St. #203
San Antonio, TX 78207
(210) 223-4589

www.TexasWHC.org

The Texas Women’s Healthcare Coalition gratefully acknowledges Methodist Healthcare Ministries of South Texas, Inc. (MHM) for their support of this report. The findings and conclusions expressed in this report, however, are solely TWHC’s, as are any errors or omissions. To learn more about MHM, visit www.mhm.org.

Healthy Futures of Texas
Development and leadership of the Texas Women’s Healthcare Coalition is a project of Healthy Futures of Texas