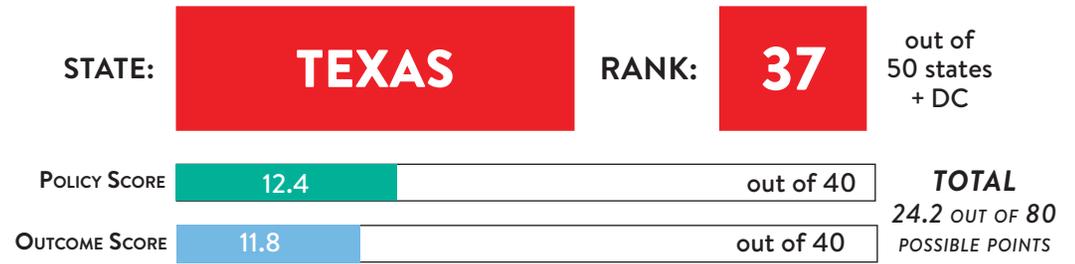
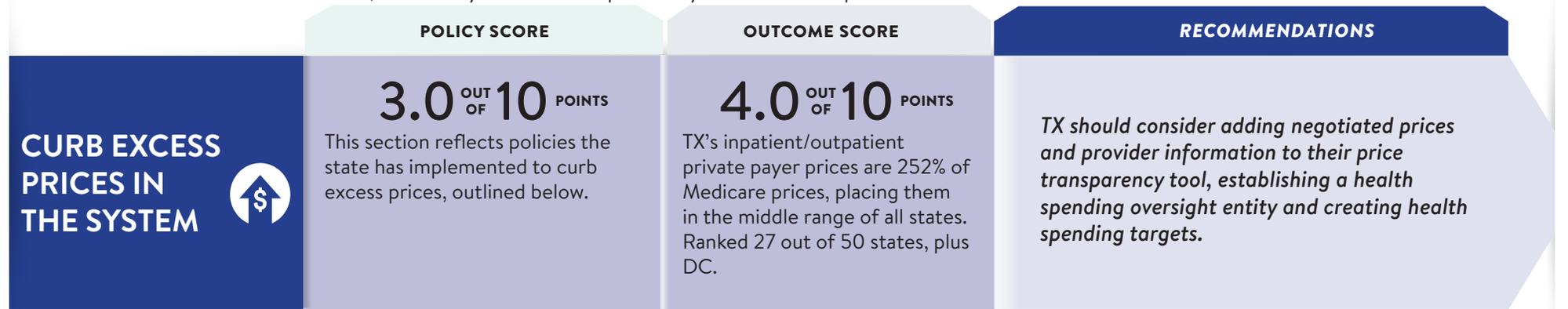


# 2022 Healthcare Affordability State Policy Scorecard

This Scorecard looks at both policies and related outcomes across four affordability-related areas that were implemented as of Dec. 31, 2021. Lawmakers, regulators, consumer advocates and the public can use the Scorecards to understand how their state performs when it comes to healthcare affordability policies and outcomes relative to other states and identify opportunities to improve.



Setting the stage: According to SHADAC, 26% of Texas adults experienced healthcare affordability burdens as of 2020. According to the Personal Consumption Expenditure, healthcare spending per person in Texas grew 30% between 2013 and 2021, totaling \$6,593 in 2021. Please note some of the outcome measures in this Scorecard include data from 2020, which may have been impacted by the COVID-19 pandemic.



THIS CHECKLIST IDENTIFIES THE POLICIES THAT WERE EVALUATED FOR THIS SECTION.

	<b>Create an all-payer or multi-payer claims database to analyze healthcare price inflation, price variation and utilization</b> As of 2020, Texas has a voluntary claims data collection effort through the UT Center for Healthcare Data that collects medical and pharmacy claims that account for 65% of the Texas population. In 2021, Texas passed HB 2090 to establish a mandatory all-payer claims database (APCD) for health benefit plan data beginning Sept. 1, 2021.
	<b>Create a permanently convened health spending oversight entity</b> Texas did not have a permanently convened health spending oversight entity as of Dec. 31, 2021.
	<b>Create all-payer healthcare spending and quality benchmarks for the state</b> Texas did not have active health spending benchmarks as of Dec. 31, 2021.
	<b>Implement free, public-facing healthcare price transparency that reflects negotiated rates and features treatment- and provider-specific prices</b> Texas did not have a tool that met the criteria to receive credit. To receive credit, a state's tool has to be public-facing, searchable by specific procedure and hospital and show the negotiated rate paid by insurance plans/patients (not chargemaster rate). Texas Healthcare Costs provides total billed and allowed amounts for multiple services, but not negotiated rates, and they are broken out by zip code but not by specific provider.

KEY: = implemented by state = not implemented by state = the state has implemented policies, but could be enhanced

Full report and additional details at [www.HealthcareValueHub.org/Affordability-Scorecard/Texas](http://www.HealthcareValueHub.org/Affordability-Scorecard/Texas)

# Healthcare Affordability State Policy Scorecard

STATE:

TEXAS

RANK:

37

out of 50 states + DC

## POLICY SCORE

0.6 OUT OF 10 POINTS

TX has not yet measured the extent of low-value care being provided. 89% of hospitals have adopted antibiotic stewardship.

## OUTCOME SCORE

5.0 OUT OF 10 POINTS

16% of Texas residents have received at least one low-value care service, placing them in the middle range of states. Ranked 16 out of 50 states, plus DC.

## RECOMMENDATIONS

*TX should consider using claims and EHR data to identify unnecessary care and enacting a multi-stakeholder effort to reduce it.*

## REDUCE LOW-VALUE CARE



THIS CHECKLIST IDENTIFIES THE POLICIES THAT WERE EVALUATED FOR THIS SECTION.

✗	<b>Analyze claims and electronic health records data to understand how much is spent on low- and no-value services</b>
	Texas did not measure the provision of low-value care as of Dec. 31, 2021.
✗	<b>Require validated patient-safety reporting for hospitals</b>
	Central line-associated bloodstream infections (CLABSI) and catheter-associated urinary tract infections (CAUTI) are two common forms of hospital-acquired infections. Data on patient safety reporting is not available for Texas.
...	<b>Universally implement antibiotic stewardship programs using CDC's 7 Core Elements</b>
	Improper use of antibiotics is another type of low-value care. Antibiotic stewardship is the effort to measure and improve how antibiotics are prescribed by clinicians and used by patients, and states were scored on what share of their hospitals follow the CDC's stewardship program. 89% of Texas hospitals have adopted antibiotic stewardship. States with 90% adoption or more get the most credit.

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# Healthcare Affordability State Policy Scorecard

STATE:

TEXAS

RANK:

37

out of 50 states + DC

## POLICY SCORE

1.2 OUT OF 10 POINTS

Childless adults are not eligible for TX Medicaid, while parents are only eligible if their household incomes are less than 16% of FPL. Only some immigrants can access state coverage options (see below).

## OUTCOME SCORE

0.0 OUT OF 10 POINTS

TX has the most uninsured residents of any state by a wide margin, with 17% of residents having no insurance. Ranked 51 out of 50 states, plus DC.

## RECOMMENDATIONS

TX should expand Medicaid to all low-income residents and consider options for residents earning too much to qualify for Medicaid, like a Basic Health Plan, premium subsidies, Medicaid buy-in or a Public Option. TX should also consider offering coverage options for legally residing immigrant pregnant people and undocumented children, pregnant people and adults. TX should establish an effective rate review process.

## EXTEND COVERAGE TO ALL RESIDENTS



THIS CHECKLIST IDENTIFIES THE POLICIES THAT WERE EVALUATED FOR THIS SECTION.



### Expand Medicaid to cover adults up to 138% of the federal poverty level

Texas has not expanded Medicaid—parents are eligible up to 16% FPL and childless adults are not eligible. Expansion bills have been introduced multiple times, including House Bill 3871 in 2021, but none have passed.



### Provide high-quality, affordable coverage options for people whose incomes are too high to qualify for Medicaid, e.g., Basic Health Plan, reinsurance or augmented premium subsidies

Texas did not offer any additional coverage options for residents earning too much to qualify for Medicaid as of Dec. 31, 2021.



### Provide options for immigrants that don't qualify for the coverage above

Texas offers Medicaid coverage to lawfully residing immigrant children without a 5-year wait and some level of prenatal care regardless of immigration status through CHIP's "unborn child" option, although the coverage is not comprehensive and only covers pregnancy-related services. The state offers no coverage options for undocumented children/non-pregnant adults.



### Conduct strong rate review of fully insured, private market options

Texas did not conduct effective rate review process as of December 31, 2021. Looking Ahead: In 2021, Texas passed a law that will create effective rate review beginning in 2023, including directing the commissioner of insurance to incorporate consumers' purchasing power into the rate review process for plans available on the marketplace.

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# Healthcare Affordability State Policy Scorecard

STATE:

TEXAS

RANK:

37

out of 50 states + DC

## POLICY SCORE

7.6 OUT OF 10 POINTS

TX has limited protections against short-term, limited duration health plans and has comprehensive protections against surprise medical bills and No Surprises Act loopholes. TX caps cost-sharing for some high-value services

## OUTCOME SCORE

2.8 OUT OF 10 POINTS

TX ranked 41 out of 50 states, plus DC on affordability burdens—26% of adults faced an affordability burden: not getting needed care due to cost (9%), delaying care due to cost (9%), changing medication due to cost (10%), problems paying medical bills (13%) or being uninsured due to cost (76% of uninsured population).

## RECOMMENDATIONS

*TX should consider a suite of measures to ease consumer burdens, such as stronger protections against short-term, limited-duration health plans. If TX wants to pursue standard plan design, they can establish a state-based exchange.*

MAKE OUT-OF-POCKET COSTS AFFORDABLE



THIS CHECKLIST IDENTIFIES THE POLICIES THAT WERE EVALUATED FOR THIS SECTION.



### Limit the availability of short-term, limited-duration health plans

Texas has enacted some protections against short-term, limited duration health plans (STLDs) but there are still plans available with a max duration of over one year. Some people choose STLD health plans for their lower monthly premiums compared to ACA-compliant plans. However, they offer poor coverage, can discriminate against people with pre-existing conditions and pose financial risks for consumers. States received credit depending on how much they limit these plans.



### Protect patients from inadvertent surprise out-of-network medical bills

Texas has comprehensive protections against surprise medical bills (SMBs), plus additional protections for other facilities' (urgent care) bills not covered by the federal No Surprises Act. 'Comprehensive' protections include emergency departments and hospitals, apply to all insurance types, hold consumers harmless/prevent balance billing and adopt adequate payment standard or dispute resolution process. States with only some of these policies have 'partial' protections. The federal No Surprises Act prohibits SMBs in most plans effective January 2022. However, it does not cover ground ambulances. States can still implement protections in this area—73% of ground ambulance rides in Texas charged to commercial insurance plans had the potential for SMBs (2021).



### Waive or reduce cost-sharing for high-value services

In 2021, Texas passed a law capping the total amount a carrier can require a covered patient with diabetes to pay for a 30-day supply of insulin at \$25, regardless of what type of insulin is needed.



### Require insurers in a state-based exchange to offer evidence-based standard plan designs

Texas has an exclusively federally facilitated marketplace and cannot implement standardized plans unless they establish a state-based exchange. Standard plan design makes cost-sharing the same across plans within metal tiers, making it easier for consumers to compare plans. They also help regulators and exchanges negotiate or set rates with insurance carriers, which may translate to lower prices for consumers.

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