



# Federal Recovery Funds: Investing in Individuals, Families, and Health & Human Services Infrastructures

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## Texas Select Committee on Federal Stabilization Funds

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### Testimony

Good morning, I'm Juan H. Flores, Executive Director of La Fe Policy Research and Education Center based in San Antonio. We are an organization engaged in efforts to create responsive changes to social and health policies impacting Hispanics through *policy analysis, education, leadership, and civic involvement*.

It's estimated that approximately 16 billion dollars from the Federal Recovery and Reinvestment Fund are available to Texas. We urge state policymakers to do what's needed to accept all available recovery funds. To not accept funds, such as the Governor's decision regarding unemployment targeted recovery funds, hurts our citizens who are struggling, plus this creates a loss of additional economy activity. We are confident that Texas can adjust any state policies that may be required to take advantage of all stimulus funds relating to workforce and economic development, housing, physical infrastructures as roads, highways and bridges, and health and human services. Texas has strengths, but weaknesses also exist in each of these sectors. The weaknesses and their solutions are more difficult to address given the economic recession, loss of thousands of jobs, and savings. The recent report from the Dallas Federal Reserve confirms that Texas too is in recession.

In taking advantage of these funds, we also urge openness and accountability as the primary guide in the allocation of these funds by all agencies at the state and local levels. In the health and human services area we urge **optimizing** recovery funds to provide **affordable** health insurance coverage to more low income and children of color in Texas.

While health concerns us all, not everyone understands the complexity of our health care system or its relationship to inequalities and disparities which exist. Of the 23 million Texans, one in three are Hispanic (36.5%), and their projected growth and economic contributions combined with improved health care access can further ensure our State's productivity. Unfortunately, Hispanics represent 59% of the State's total uninsured population. Regarding our children, the *bienestar* (well-being) of Hispanics into the future are tied to expanding their health insurance coverage and quality health care access. Hispanic children experienced increases in the number of uninsured between 2002 and 2006 jumping to 27% compared to a decline to 11% for White Non-Hispanics. *Over the next decade, the prevalence of disease will shift from White Non-Hispanic to Hispanics who are primarily young and of working age.*

Specifically, we urged your support for:

- 1. Expanding access through the Medicaid/SCHIP Buy-in programs** because *accessibility to health insurance coverage is a critical step toward healthy outcomes, plus*
  - 4 in every 9 Texas children are Hispanic.
  - Hispanics are most likely to have limited access or no access to Employer Sponsored Insurance (ESI).
  - Education has not been an equalizer when it comes to health insurance, especially, since Hispanics are still 2 times more likely than White Non-Hispanics without health insurance regardless of education levels.
- 2. Eliminate barriers and obstacles** in Medicaid by streamlining the eligibility system to include more staff, interagency information exchanges and new technology. With these efforts, Texas will have access to incentive funding from federal recovery funds to provide more access to eligible children.

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**3. Improve continuity of care** by moving Medicaid re-enrollment from 6 months to 12 months similar to SCHIP to improve Health Disparities.

**4. Improve outreach and Marketing resources** and funding of SCHIP and Medicaid programs to eligible individuals.

The Recovery and Reinvestment Fund resource offers Texas an opportunity to set the stage for transforming access to health care. Both Medicaid and SCHIP are a means to address the growing health insurance disparities that plague the Hispanic community and the overall large number of uninsured Texas children.

In short, it should provide the “opportunity” to maintain good health and not add to the risk of financial health care debt. Furthermore, the cost for coverage should not be a barrier to parents to pursue and retain individual and family financial security and self-sufficiency. The objective is to reduce disparities, not increase them.

There is an abundance of literature and research regarding ‘health care determinants’ and their relationship to health disparities. The determinants include income, education, employment, housing, neighborhood environments, etc. which can assist the Texas Health and Human Service system to better understand and improve their effectiveness in addressing the disparities of the populations they are serving.

The Federal Recovery and Reinvestment Fund can contribute significantly to addressing these other determinant areas and positively impact the financial and health security of Texas families and their contribution to our State’s productive and economic progress.

Thank you.