



## TEXAS HEALTH AND HUMAN SERVICES COMMISSION

KYLE L. JANEK, M.D.  
EXECUTIVE COMMISSIONER

December 3, 2013

The Honorable Kathleen Sebelius  
Secretary of Health and Human Services  
The Hubert H. Humphrey Building  
200 Independence Avenue, S.W.  
Washington, D.C. 20201

Dear Secretary Sebelius:

As January 1, 2014, approaches, I remain deeply concerned about issues with healthcare.gov and the potential for negative impact on state systems and performance. With this letter, I am seeking both clarification and assurances to help us prepare for yet more changes to health care in Texas.

First, I am concerned that the lack of comprehensive testing increases the likelihood of errors with the interface between your system and ours. Only recently, and more than a month after healthcare.gov went live, the Centers for Medicare and Medicaid Services (CMS) executed three mock client transfers to the state without validating client data and called the testing a success and complete.

We do not consider testing to be complete. One-way transfer of data for three cases is not a sufficient test. It's imperative that we test actual client data for round-trip transfers to and from the exchange in volumes to match those we're expecting. **Expanding the testing using client accounts that have been captured to date by the federal Marketplace and with enough cases is the only way to ensure that your system will integrate fully with the interface we have built based on your guidance.**

The timing of your changes, guidance and additional testing is critical. The Health and Human Services Commission (HHSC) maintains a tightly scheduled process for updating and changing the Texas eligibility system. On December 21, 2013, we will release programming changes that have been in development for up to 10 months to comply with the new federal requirements that go into effect January 1, 2014. As your vendors and staff work to repair healthcare.gov, they risk making changes that have cascading impacts throughout the state system. My staff recently discovered, diagnosed and resolved an issue when a federal change caused an inquiry function that checks to see if the applicant already has information in the Texas system to stop working.

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Your staff and vendors must communicate these changes to states to ensure that the interface between our systems continues to work. The repeated delays on your end have made it impossible for us to make additional major changes to our system in time for implementation on January 1, 2014.

In addition, I have serious questions about the validity of the data we've received from CMS. While electronic account transfers have been delayed, CMS has provided states with spreadsheets of individuals the Marketplace determined would be Medicaid or CHIP eligible as of January 1, 2014. Our review of the spreadsheets for Texas found individuals with addresses from other states — including as far away as New York, fields that were left blank, and people who are already receiving Medicaid or CHIP. On November 29, 2013, we received guidance from CMS that we could begin enrolling the individuals on this file into Medicaid and CHIP; however, it is critical to verify the accuracy of the information before we take that step. We understand that CMS has already begun notifying individuals on the spreadsheet that they will be eligible for Texas Medicaid on January 1, 2014. Yet, we have had no validation that those determinations are being done according to our state eligibility criteria. **We need to know how you will correct any errors that the state may find in the federal determinations and how you will communicate those mistakes to the affected individuals.**

Finally, as you know, Texas operates an integrated eligibility system that uses the same workers to determine eligibility for Medicaid and CHIP as it does Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF). While our eligibility staff remains prepared to help Texans applying for these benefits, I am concerned that the problems with the rollout of the Affordable Care Act may make it difficult for our workers to meet federal timeliness standards across all programs. **Accordingly, please provide assurances that you will work with your counterparts in the federal administration to hold the state harmless for any potential performance penalties in SNAP and TANF until your systems issues with healthcare.gov and its interface with the state are fully resolved. I am also requesting full federal funding to cover the cost of any workload impacts to our eligibility staff arising from problems with the federal rollout, particularly for additional time required to resolve eligibility issues related to incorrect referrals to our system for Medicaid and CHIP processing.**

Your response and assurances are urgently needed to ensure the integrity of our programs and to maintain critical service to families who qualify for assistance.

Sincerely,



Kyle L. Janek, M.D.