

Senate Finance Committee – Article II
February 2, 2011

Lan Bentsen Testimony

Business Leaders Agree: Insuring Texas Children is Fiscally Responsible

Maximizing federal matching funds is an important part of the legislative agenda of the **Metro 8 Chambers of Commerce**. The Metro 8 represents the chambers of commerce of the eight largest cities in Texas and the business communities of 60 percent of the state's population.

Metro 8 Chambers of Commerce, 2011 Legislative Priorities

“Do No Harm” While Leveraging Federal Funds:

“The Chambers oppose any cuts to CHIP and Medicaid. The State of Texas should not cut state expenditures for these programs, which, in reality, shift the burden of those costs to local businesses, taxpayers, and providers. Furthermore, because both CHIP and Medicaid are in-part funded with matching federal funds, a reduction of State funds would also mean a reduction in these matching funds, effectively guaranteeing that fewer of Texas' federal taxpayer dollars will come back to the State (for every \$1 Texas cuts in State funding for Medicaid, the State loses approximately \$1.42 in federal monies).”

Physician and Provider Reimbursements:

“The Chambers oppose reducing the already low rate of provider reimbursements. Such a reduction will have its greatest impact on urban areas and will not only affect the availability of care for our patients now; it will also reduce the number of providers that will be available to Texas residents in the future.”

Funding Mechanisms that Address the Uninsured:

“The Chambers encourage maintaining the integrity of current funding mechanisms for healthcare that address the uninsured such as disproportionate share dollars (DSH) and upper payment limit (UPL) funding, particularly throughout the process of structuring and implementing health care reform as some individuals will not be eligible to participate in the state exchange program.”

“The Metro 8 supports funding the Texas Medicaid/CHIP programs at a level that maximizes the availability of federal matching funds.”

-2009, Metro 8

Greater Dallas Chamber of Commerce

“High quality medical care is a key component in recruiting businesses and talent to the greater Dallas area. However, if current trends continue, access to health care will decline and costs to business will increase.”

Greater Houston Partnership (GHP)

“Access to health coverage helps maintain a healthy business climate for Texas employers by providing cost-effective, preventative care for children. The health costs of the uninsured has

become an economic burden of the business community through property taxes and lost productivity of workers with sick family members.”

GHP 2010 Resolution