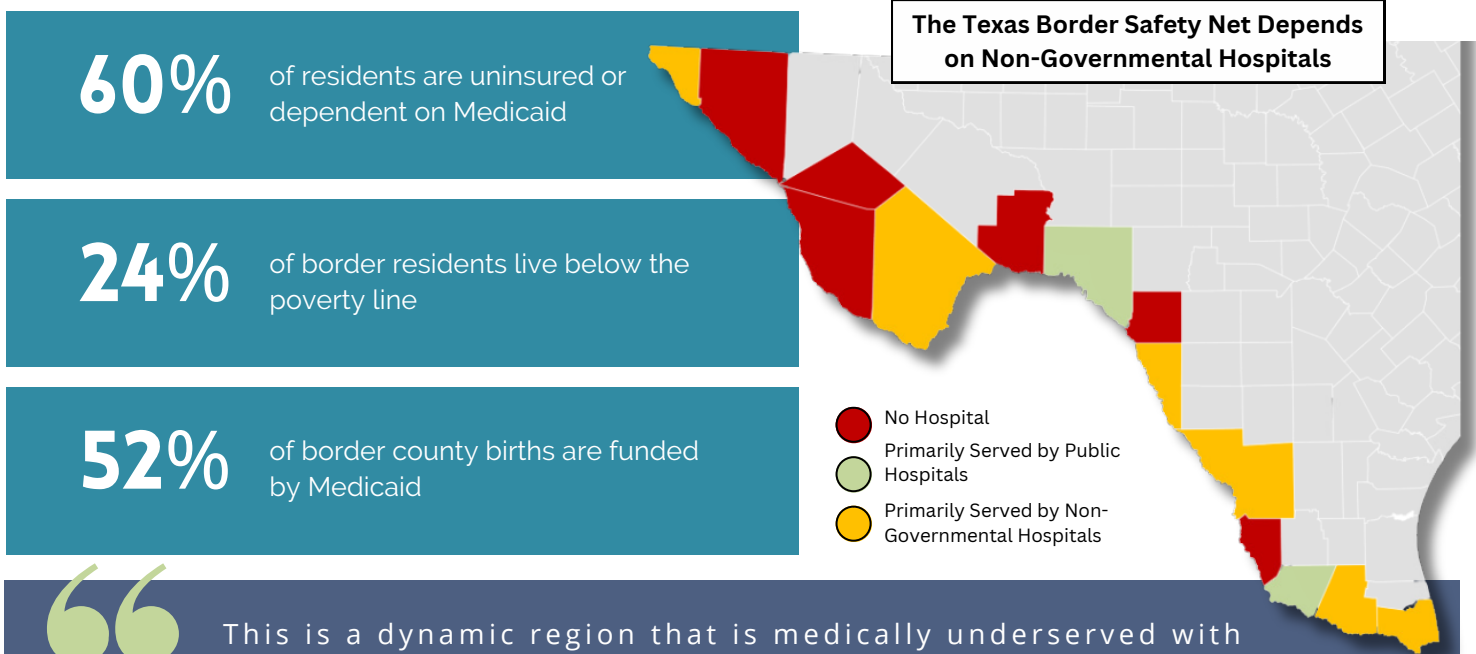


CMS THREATENS \$720 MILLION IN MEDICAID FUNDING TO TEXAS-MEXICO BORDER COUNTIES

In May, the Centers for Medicare & Medicaid Services (CMS) introduced the proposed Medicaid Managed Care Rule. Two provisions within the proposed rule would limit states options for financing and allocating Medicaid payments: 1) A proposal to expand the definition of hold-harmless arrangements to include private arrangements among non-governmental hospitals and; 2) A proposal to cap state expenditures on directed payment programs. **These proposed changes would devastate the Texas-Mexico border counties, resulting in an annual loss of approximately \$720 million in Medicaid funding to the border region.**

Brewster	Cameron	El Paso	Hidalgo	Maverick	Starr	Val Verde	Webb	TOTAL
\$1,882,000	\$121,099,000	\$274,745,000	\$236,670,000	\$8,925,000	\$1,765,000	\$8,812,000	\$69,781,000	\$723,679,000

Fourteen Texas-Mexico border counties are home to over 2.6 million Texans, 90% of whom identify as persons of color. **Only 43 hospitals serve the 1,254 mile long Texas-Mexico border, and only 5 are public.** Of the 5 public hospitals, only one has more than 80 beds. **Non-governmental hospitals are therefore essential to maintaining the Medicaid safety net in this region.** Even with this mix of public and non-governmental healthcare providers, 13 of the 14 border counties are designated as Medically Underserved Areas (MUAs), and 6 are classified as Maternity Care Deserts with no hospitals or OB/GYNs providing obstetric care. The proposed changes will stress the healthcare safety net as a whole, but they will be especially devastating where Medicaid patients rely heavily on non-governmental hospitals for care. **If implemented, these two provisions would exacerbate existing health inequities in this region.**



This is a dynamic region that is medically underserved with professional health shortages that serve a population that has **pressing health and social conditions, higher uninsured rates, high rates of migration, inequitable health conditions and a high rate of poverty.**

- U.S. Department of Health & Human Services

