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HHS GRANTS MEDICAL CARE PAYMENTS FOR EVACUEES IN TEXAS
*State Made Whole for Costs Now, Including Medicaid and Uncompensated Care; Could
serve as model for other states*

Texas will get new immediate support for the medical care provided to Hurricane Katrina evacuees, including money for uncompensated care, under an agreement with the federal government. The agreement makes it easier for eligible evacuees to receive services through the state's Medicaid and State Children's Health Insurance programs, HHS Secretary Mike Leavitt announced today.

"Texas has been providing immediate and life-saving services to thousands of its neighbors in the wake of this disaster, and our nation is grateful," Secretary Leavitt said. "Today's agreement implements the President's vision to ensure that Texas will not be disadvantaged as a result of their compassion."

"Our priority has been and will continue to be getting vital health care services to evacuees right now, and the best and fastest way to do that is to support the state programs and the local health care providers already in place," said Mark B. McClellan, M.D., Ph.D., Administrator of the Centers for Medicare & Medicaid Services, the agency that oversees Medicaid and SCHIP. "Texas will be made whole, and the needs of people will continue to come first."

To make sure that all states are able to take advantage of this opportunity, Secretary Leavitt today sent a letter to states outlining the provisions of the "model" waiver agreement for health care for Hurricane Katrina evacuees. The provisions in the model waiver closely reflect those in the waiver approved for Texas.

The agreement for Texas between Secretary Leavitt and Gov. Rick Perry would enable evacuees who have little ability to pay for care after the hurricane evacuation to get coverage through Medicaid or SCHIP. Using a streamlined process, Texas would enable such evacuees to receive services immediately in one of the two programs for up to five months, even if they do not have the usual documentation. Texas will be the first state approved to conduct the emergency Section 1115 waiver developed by HHS to assure that evacuees in need of medical care have immediate access to it.

Under the waiver, needed medical services will be delivered through Texas programs to evacuees who are children up to age 19 and their parents, pregnant women, individuals with disabilities, low-income Medicare beneficiaries and those who need long-term care and meet certain income requirements. Evacuees will be asked to complete a simplified application form declaring their income and assets, if any. The program will last through Jan. 31, 2006.

Evacuees who receive services through Texas Medicaid or SCHIP programs will not be charged any out-of-pocket costs during the temporary enrollment under the terms of the agreement. They will receive the standard Texas Medicaid benefit package plus certain additional benefits, such as additional mental health coverage.

The agreement also would create an uncompensated care pool to help compensate physicians, hospitals, and other health care providers who provide needed medical treatment to evacuees who do not currently have health insurance and are ineligible for Medicaid or SCHIP. Texas will also work to identify ways to assist these individuals in obtaining private insurance, as they transition from evacuee status to getting a job and a home.

“We intend to work quickly to build on this program to provide immediate relief for evacuee health costs in Texas,” said Dr. McClellan. “We are working with other states that are hosting evacuees to provide similar support for their health care.”

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