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Lawmakers File Legislation to allow Texas to Chart its Own Path for Health Care Policy

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AUSTIN, TX – With the State of Texas facing skyrocketing costs under the Medicaid program, and with Texas prohibited from making any meaningful reforms or reductions to our Medicaid and CHIP programs, conservative state lawmakers today filed legislation to allow Texas to chart its own path for health care policies and programs.

Authorized by Article I, Section 10 of the U.S. Constitution, an interstate compact on health care will free the State of Texas and other "member states" from federal health care regulations, allowing "member states" that are party to the compact to innovate and create health programs that better serve their respective residents, program beneficiaries, and taxpayers.

State Representative Lois Kolkhorst (R-Brenham), who has served as a TCCRI Task Force Co-Chairman, filed House Bill 5. She stated: "Texas needs to take the reins of our health care programs by entering into an interstate compact. Ingenuity and innovation will create a more efficient health care system in Texas that can operate without consuming such a rapidly-increasing portion of the state budget."

Compacts between states exist in a wide variety of areas, covering issues such as transportation, taxation, criminal background checks, and the supervision of former prisoners. Specifically, there are ten approved low-level waste compacts between states to provide for the disposal of certain radioactive waste. Texas is party to one such compact.

With Congressional approval, a health care compact between Texas and at least one other state would allow us to run our own health and human services programs, to restore responsibility and authority for health care regulation to the member states (except for military health care, which will remain federal), and provides the funds to the states to fulfill that responsibility.

State Senator Jane Nelson (R-Flower Mound), a board member of TCCRI who has filed Senate Bill 25, stated: "One size does not fit all when it comes to delivering health care. I am confident that

Texas can design a program that meets our unique needs more efficiently than the federal government's cumbersome regulations."

State Senator Joan Huffman (R-Southside Place), who joint-authored Senate Bill 25 with Senator Nelson, stated: "The Constitution and established legal precedent provide a clear mechanism for states to enter into collaborative contracts as a means to regulate areas of mutual concern, in this case: health care." Senator Huffman added, "This Compact vests the primary responsibility to regulate health care with each, individual state's Legislature. Texans, and not the bureaucrats in Washington, should be responsible for making decisions for Texans."

In total, health and human services spending is increasingly crowding out other state priorities such as public education and transportation. For example, in 1989, 22.2 percent of the state budget went to health and human services programs, while 12.3 percent of the budget went to transportation. In 2009, HHS had grown to consume nearly 38 percent of the budget, while transportation accounted for under 8 percent of the state budget.

In the decade after "ObamaCare" takes effect, Texas will face at minimum an additional \$27 billion dollars in state Medicaid costs as an average of 2 million people go onto state health care plans each year for ten years.

Rep. Kolkhorst also cited another reason for Texas to enter into an interstate health care compact: "For decades, the federal government has prohibited Texas from maintaining an effective and efficient health care policy for our own residents. The constitutional authority of the State of Texas is being increasingly abrogated, leaving us to turn to a remedy prescribed by the U.S. Constitution: an interstate compact."

Sen. Nelson concluded: "We view a health care compact as an immediate imperative to improve our health care programs, to arrest the growing costs of federal health care programs, and to restore respect for state sovereignty."

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Entering into an interstate health care compact is one of many recommendations of the TCCRI Health & Human Services Task Force. The recommendation can be found in the final Task Force Report, [Health Care Reform: Charting a State Path](#).