



House Insurance Committee
Written Testimony in support of HB 2582 by Rep. Lucio
April 9, 2019

Testimony submitted on behalf of:

Texas Pediatric Society
Texas Medical Association
Texas Academy of Family Physicians

Chair Lucio and Committee Members,

Thank you for the opportunity to provide written testimony on behalf of the nearly 53,000 physician and medical student members of the Texas Pediatric Society, the Texas Academy of Family Physicians, and the Texas Medical Association. We appreciate the opportunity to testify in full support of House Bill 2582. Thank you, Chair Lucio, for filing such an important piece of legislation.

Texas has one of the most successful and robust newborn screening programs in the entire world. We screen every newborn Texan baby twice for 53 separate disorders or conditions – any one of which could potentially lead to an early death or lifelong disability. However, by screening children at birth, we have the ability through the miracle of modern medicine to change the developmental outcomes of these children and give many of them the opportunity to live healthy lives. Nearly 900 infants per year are diagnosed early and treated for life-altering disorders. Texas' newborn screening program is a perfect example of true public health at work – saving lives, alleviating population morbidity, and reducing health care costs.

However, the success of our newborn screening program should not be taken for granted. It requires a diligent partnership among the Department of State Health Services (DSHS) laboratory, hospitals, physicians, and health plans. Texas Medicaid pays the laboratory directly for those babies covered under the program. Providing the newborn screening program to babies covered under a commercial health plan requires physicians to purchase newborn screening kits directly from the DSHS laboratory at the price of \$55.24 each. They then must bill the child's health insurance to recoup their costs. Every new disease or condition added to the newborn screening panel increases the cost of each kit. It also means that previously purchased kits cannot be used when new tests are added.

Physicians purchase the kits in bulk so they have them immediately available when the child is seen in the office for his or her first visit after birth. This requires a large out-of-pocket cost for the kits and uncertainty as to when, or even if, they eventually will receive compensation from the health plan. In fact, pediatricians and family physicians from across the state report mixed success in getting full compensation for the purchase price of the DSHS-mandated newborn screening kit. Pediatric practices operate with very slim margins and often cannot bear the burden of lack of payment for this critical public health program. Pediatricians are dedicated to the health of their infant patients and the convenience of providing this second screening in the clinic, but they need to be paid in whole for their participation in this vital program.

HB 2582 is crucial to ensuring the long-term stability of our newborn screening program and the financial solvency of the medical homes for Texas babies. Thank you for the opportunity to provide testimony today.