



April 3, 2024

The Honorable  
Greg Abbott, Governor of Texas  
P.O. Box 12428  
Austin, TX 78711

Dear Governor Abbott:

The bipartisan legislative delegation from South Texas writes to express our concerns regarding the recent Notice of Intent to Award for RFP No. HHS0011152–STAR & CHIP Managed Care Services issued by the Texas Health and Human Services Commission (HHSC). We urge you to contact the Health and Human Services Commission (HHSC) Executive Commissioner regarding the decision of this Intent to Award that excludes the Driscoll Health Plan (DHP) and urge her to intervene.

DHP is a non-profit entity dedicated to serving 23 counties in South Texas. These counties are home to the state's most vulnerable healthcare population, and DHP has served them successfully for more than 20 years. DHP has been pivotal in reducing maternal morbidity, mortality, and improving infant outcomes by funding not only 75 percent of the maternal fetal medicine specialists in South Texas, but also mental health resources for children. What's more, DHP annually invests more than \$10 million in maternal fetal medicine incentives to subsidize physician costs. This investment has helped improve overall birth outcomes and significantly reduced NICU costs, saving the state approximately \$1.056 billion between 2008 and 2022. These outcomes and services are a result of DHP's direct investment in our communities and its stewardship of state resources.

Removing DHP from consideration as a provider of these services would disrupt the continuity of care for the families and children who are our constituents. It could force families to leave South Texas to receive these services. Relatedly, because recruiting and retaining providers in South Texas is challenging, this decision would have a negative

peripheral impact on the important relationships built over the years with health care providers in our community.

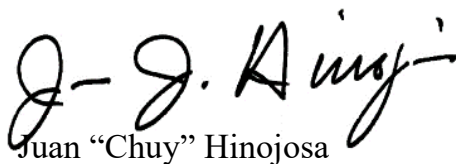
On a related note, DHP's headquarters, offices, and leadership, unlike those of the for-profit entities selected, are based entirely in South Texas. Accordingly, they have a significant positive economic and cultural presence in our communities that the newer providers could not replicate.

For these reasons and more, we respectfully request you to urge the HHSC Executive Commissioner to remove the MCO-related procurement caps—those setting the maximum number of MCOs per Service Area and the maximum number of Service Areas per MCO—to create more robust competition among MCOs across the state. Each MCO would benefit from such a decision, but, more important, Medicaid members, providers, and our communities would not be subject to the sizable disruption that is certain under the current course.

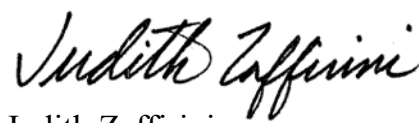
If the Commissioner fails to make this change under the authority available under our procurement laws, we ask you to urge the Commissioner to support delaying the final awards. The Texas Legislature will meet in Regular Session beginning on January 14. Through legislative review, any outstanding issues related to developing a broader, market-based approach could be resolved well before the currently intended contract start date of September 1, 2025.

Thank you for your attention to this matter. Please contact us immediately if you have any questions or need additional information.

Respectfully,



Juan "Chuy" Hinojosa  
State Senator, District 20



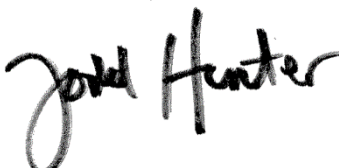
Judith Zaffirini  
State Senator, District 21



Roland Gutierrez  
State Senator, District 19



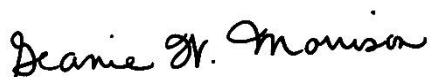
Morgan LaMantia  
State Senator, District 27



Todd Hunter  
State Representative, Dist. 32



Abel Herrero  
State Representative, Dist. 34



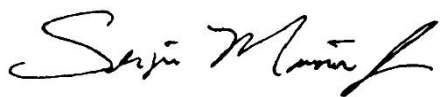
Geanie W. Morrison  
State Representative, Dist. 30



Ryan Guillen  
State Representative, Dist. 31



Oscar Longoria  
State Representative, Dist. 35



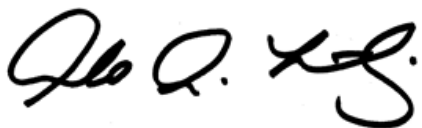
Sergio Muñoz, Jr.  
State Representative, Dist. 36



Janie Lopez  
State Representative, Dist. 37



Erin Gamez  
State Representative, Dist. 38



Armando "Mando" Martinez  
State Representative, Dist. 39



Terry Canales  
State Representative, Dist. 40



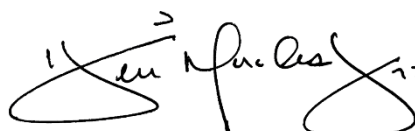
R.D. "Bobby" Guerra  
State Representative, Dist. 41



Richard Peña Raymond  
State Representative, Dist. 42



J.M. Lozano  
State Representative, Dist. 43



Eddie Morales  
State Representative, Dist. 74



Tracy King  
State Representative, Dist. 80