

****Fact Sheet****

1.8 Million Texans on the Brink of Losing Access to Health Insurance Providers Unless Lawmakers Act

Updated: May 3, 2025

Background

In March 2024, the Texas Health & Human Services Commission (HHSC) announced plans to deny contract renewals to several Medicaid providers, including three non-profit, Texas-based children's hospital plans: Cook Children's Health Plan (CCHP), Texas Children's Health Plan and Driscoll Children's Health Plan. Despite their combined 60+ years of proven, high-quality care, HHSC intends to award the multi-billion dollar Medicaid STAR/CHIP contracts primarily to publicly-traded insurers beholden to out-of-state shareholders.

On June 2, 2025, the clock will run out on the Texas Legislature to prevent the largest Medicaid upheaval in state history, which will cost Texans nearly 2,000 jobs and millions in tax dollars. If legislation isn't adopted immediately, vulnerable families will lose their lifeline to pediatric specialists, hundreds of local jobs will be eliminated, and taxpayers could possibly pay the price through ER overcrowding and higher uncompensated-care costs when families have a gap or lapse in coverage as a result of this disruption.

What's at stake

- **1.8 million** children and pregnant women across Texas would be forced to change health insurance plans if HHSC's current award stands.
- **125,000** North Texas children—including as many as **10,000 medically complex kids** who count on Cook Children's Health Plan (CCHP) today.
 - Includes **170 children on ventilators** who cannot afford a lapse in care and more than **1,700 children dependent on wheelchairs**.
- Texas stands to **lose billions in taxpayers' dollars** if Medicaid and CHIP funding is **redirected to out-of-state**, for-profit corporations. This change will shift profits to shareholders across America, and away from reinvestments in local community-based health care programs and access points throughout Texas. *Don't let these dollars leave Texas!*
- **Three children's hospital plans at risk:** Cook Children's, Texas Children's and Driscoll Children's non-profit Health Plans swapped in favor of for-profit insurance companies, most of whom are out of state.



Economic Impact

Local dollars & jobs Texans could lose	Why it matters to taxpayers
400 Cook Children’s Health Plan employees. Nearly 2,000 jobs across all three children’s health plans.	Every job lost is a family off the tax rolls and onto unemployment.
1,455 primary-care doctors & 2,550 specialists in network with CCHP	Provider network instability threatens rural and safety-net access.
Every \$1 in Medicaid supplemental payments = \$5 in statewide economic activity; supports 142,000 Texas jobs. - Per HHSC	Redirecting dollars out of state shrinks that multiplier effect.

Why community-based plans outperform for-profit insurance companies

- Texas-based, non-profit community-based health plans **pour** their resources and earnings back into the communities they serve. These reinvestments **build and strengthen communities across Texas**.
- **107-year** local legacy: Cook Children’s reinvests more than **\$200 million** back into the community every year through community benefits and uncompensated care, not Wall Street dividends.
- **Nine neighborhood health centers** (two opening this year) placed in high-need ZIP codes at no additional cost to taxpayers. This keeps families out of emergency rooms for primary care needs. Cook Children’s funds \$1 million annually for each center (totally **\$9 million**). [Checkup Newsroom](#)
- Top-tier member satisfaction and quality metrics HHSC failed to consider in scoring the 2024 bids, prompting bipartisan criticism of a “*subjective and unsound*” procurement. [AP News](#)

The Solution:

Several bills have been filed in Austin, and officials are actively shepherding this cause. We are hopeful there will be legislation finalized prior to June 2.



What's the benefit of Texas-based, non-profit community health plans?

- **Local control of taxpayer dollars.** Funds stay in Texas communities, not out-of-state shareholders.
- **Free-market competition.** Offers more consumer choice instead of narrowing it.
- **Fiscal stewardship and ensures quality care.** Maintains a proven, nonprofit plan with an integrated health system and a proven quality track record vs. paying corporate margins.
- **Family values & self-reliance.** Protects parents' ability to choose trusted doctors and keeps medically fragile kids out of crisis care that drives up costs.

Need more information?

SaveCookChildrensHealthPlan.com is a valuable resource packed with facts, articles, timelines, photos, member/patient stories and more. [Visit the website here.](#)