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Texas' social services chief expects agonizing budget process

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AUSTIN – As lawmakers gear up to hunt for every penny they can use against an unprecedented budget gap, Texas' safety net for the poor and vulnerable figures to get a lot of scrutiny.

The Legislature's [Republican](#) leadership will confront weighty questions, such as how many children the state can afford to provide medical care for and what level of care and supervision can be provided for the elderly and disabled.

At lawmakers' elbows will be the chief of state social services, Tom Suehs. He predicts an agonizing process.

"There are not too many nice and easy decisions," he said recently. "That's why they're going to migrate to cutting some of the optional" services in Medicaid, a health program covering 3.3 million poor children, pregnant women and frail adults.

But Suehs (pronounced "seas") is quick to add that optional services – which can be taken away from adults on the program, though not from youngsters – are not frills. Cuts will be costly and painful.

"I want to do a better job of describing the balloon effects," he said. "If you squeeze the community mental health, you're going to end up possibly with more people in prison, and that'll cost money over there."

Advocates for the needy hold out hope that the former lobbyist will prove to be the man of the hour. At the very least, they predict Suehs – fully vested in the state pension system and with nothing to lose – won't gloss over the consequences of reduced funding.

"Tom's been a straight shooter," said disability rights advocate Bob Kafka of Austin, who has known Suehs for decades.

"At least we're going to know we've had input with him. ... He's not just a hack for the governor's office. He won't be making up numbers or playing any political games."

Indeed, Suehs has proved himself blunt on hard questions, such as when he asked state aid eligibility workers to do more with fewer resources or when he warned certain hospitals that he had recommended ending their special funding under Medicaid.

"I'm not a finesser," he said recently. "So I'll say things how it is. It might offend people occasionally. I just never was trained or educated on finesse."

Maybe Suehs talks straight because he has so much to do.

Helping lawmakers close a two-year deficit of \$24 billion is just one thing on his plate. Even more daunting, perhaps, is implementation of the federal health care law; in just three years, the state will enroll 4 million Texans in some type of health insurance.

Long career

Suehs, 59, earns \$210,000 a year as head of the Health and Human Services Commission. When he took over in September 2009, he brought a mix of relevant business and personal experience. He earned an M.B.A. in the late 1990s while serving as the nursing home industry's top state lobbyist. He then developed and sold two Texas assisted-living projects.

In 1998, he nearly died from a stroke; he's fully recovered now. And in the mid-1990s, he and his wife helped an adopted daughter through complex medical problems that, he says, taught him that health policymakers "are so distant from the people you serve."

Austin health care lobbyist and consultant Don Gilbert said Suehs has good people skills and a deep understanding of social programs.

"Tom's a servant leader. He's a very spiritual guy," said Gilbert, who held Suehs' job under former Gov. [George W. Bush](#) and during the first two years of Gov. [Rick Perry's](#) tenure.

After 15 months as executive commissioner, Suehs is already an old hand – and has a few scars.

Last spring, he drew fire from supporters of the federal health care law for predicting it would cost Texas taxpayers \$27 billion in the decade after it takes effect in 2014. Suehs hasn't backtracked, saying he has done his best to fully inform his bosses, mostly Republicans who detest the law.

Last summer he was criticized by executives at several public hospitals, including Dallas' [Parkland Memorial Hospital](#), when he revised a Medicaid payment formula, costing the hospitals millions of dollars.

Suehs said the revisions, demanded by two powerful state senators on behalf of a politically influential doctor-owned hospital in McAllen, were fair.

High marks

Generally, though, Suehs has won high marks from both liberals and conservatives.

They say he has rescued a failing enrollment system for food stamps, talked Texas' leaders out of eliminating 200 mental hospital beds and placated doctors and dentists after trimming their fees last spring and again this month.

After the Nov. 2 election, Perry suggested on national TV that Texas might pull out of Medicaid. Suehs quickly tamped down political interest in the idea by pointing out that Texas would harm big employers, such as nursing homes and hospitals, by turning away \$17 billion in annual federal Medicaid funds.

But his biggest challenges are ahead.

The election brought to the Texas House a GOP supermajority. It is being lobbied hard by tea party activists who say government shouldn't provide health insurance, even in Texas, the state with the biggest share of its people uninsured.

Suehs faces an uphill struggle to protect Medicaid's already rickety network of caregivers for the poor. The providers' Medicaid pay will be a prime candidate for deep cuts, speeding an exodus by doctors and dentists just as Suehs prepares for 1.5 million more Texans to enroll.

Former Rep. Arlene Wohlgemuth, R-Burleson, a health policy analyst for the conservative Texas Public Policy Foundation, said Suehs told her a few weeks ago that federal Medicaid managers can't possibly grasp Texas' massive size and diverse population. She shares that view.

"I admire him for the work that he's been doing on Medicaid," she said. "Our research confirms what he has concluded, and that is that Medicaid is unsustainable."

Suehs' task is to help lawmakers understand the implication of life without optional Medicaid coverage for hundreds of thousands of Texans who have little other choice.

Among the services the federal government does not require states to provide: prescription drugs, hospice services, kidney dialysis treatments, hearing aids, mental health treatment and eyeglasses.

A *Dallas Morning News* analysis found that the state would save about \$1 billion in state funds over two years by eliminating all six services for the 820,000 adults now enrolled. That's less than 5 percent of the savings needed to bridge the overall deficit.

"You want to cut drugs to old people? That's optional," Suehs said. "You want to cut out kidney dialysis treatments? That's optional."

Former state District Judge Scott McCown, who heads the progressive Center for Public Policy Priorities, says it's clear that Suehs understands what is at stake.

"I hesitate to praise him for fear that it will damn him in the eyes of the governor," McCown said. "But he's the best appointment that the governor's made."

TOM SUEHS

Home: Austin

Age: 59

Title: Executive commissioner, Texas Health and Human Services Commission

Hobbies: Cooking, wine tasting. He also cooks and repairs toilets as a lay volunteer at the Holy Archangels Greek Orthodox monastery near Kendalia, Texas.

Last book he read: *Our Thoughts Determine Our Lives*, by Elder Thaddeus of Serbia, a revered Eastern Orthodox monk who died in 2003

Lately in the news: He issued a report about Medicaid, the state-federal health program for the poor. Some lobbyists say it shifted political debate from talk about costs and whether Texas should withdraw to discussion of the program's role as a safety net and how forfeiting federal funds would hurt public hospitals and taxpayers.

Why he does it: "I really want to make a difference. When I walk away from here, I want to say that I addressed some of the fundamental flaws in the system."

SOURCE: *Dallas Morning News* research