



# **Presentation to House County Affairs Committee on Texas Healthcare Transformation and Quality Improvement Waiver Update**

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**May 1, 2012**

## Overview of Presentation

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- Brief Review
  - 1115 Transformation Waiver
  - Regional Healthcare Partnerships (RHPs)
- Outreach Activities
- New RHP Development Tools
  - Updated Proposed RHP Map
  - Preliminary Anchor List
  - Draft DSRIP menu
  - Draft Plan Template
- Timeline for Waiver Implementation

# 1115 Transformation Waiver

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- Managed care expansion
  - Allows statewide Medicaid managed care services.
  - Includes legislatively mandated pharmacy carve-in and dental managed care.
- Hospital financing component
  - Preserves upper payment limit (UPL) hospital funding under a new methodology.
  - Creates Regional Healthcare Partnerships (RHPs).
- Five Year Waiver 2011 – 2016

## UC and DSRIP

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- Under the waiver, trended historic UPL funds and additional new funds are distributed to hospitals and other providers through two pools:
  - **Uncompensated Care (UC) Pool**
    - Costs of care provided to individuals who have no third party coverage for the services provided by hospitals or other providers (beginning in first year).
  - **Delivery System Reform Incentive Payments (DSRIP)**
    - Support coordinated care and quality improvements through Regional Healthcare Partnerships (RHPs) to transform care delivery systems (beginning in later waiver years).



# Feb-March HHSC Outreach: Public RHP Meetings

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## **February 22**

Preliminary RHP #4 in Corpus Christi

## **March 8**

Preliminary RHP #15 in El Paso

Preliminary RHP #16 in Amarillo

Preliminary RHP #12 in Lubbock

## **March 13**

Preliminary RHP #2 in Beaumont

Preliminary RHP #3 in Houston

## **March 15**

Preliminary RHP #14 in Odessa

## **March 20**

Preliminary RHP #11 in Abilene

Preliminary RHP #8 in Waco

## **March 21**

Preliminary RHP #13 in Uvalde

Preliminary RHP #10 in Fort Worth

Preliminary RHP #9 in Dallas

Preliminary RHP #6 in San Antonio

## **March 22**

Preliminary RHP #1 in Tyler

## **March 23**

Preliminary RHP #7 in Austin

## **March 28**

Preliminary RHP #5 in San Benito

*\*\*These RHP #'s refer to HHSC preliminary RHP map dated February 2012*

## **April Outreach: Webinar/Conference Calls**

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- In April, HHSC held several webinars / conference calls that were open to the public statewide regarding the RHP development process and the draft DSRIP menu.
- Also in April, HHSC held a conference call with an online option for each of the 19 proposed RHPs.
- Through the Executive Waiver Committee (EWC), HHSC is working with hospitals, providers, and local and county officials to share information and seek input on waiver implementation.

## **DSRIP Menu - Status**

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- HHSC, TMF and the Clinical Champions issues the draft DSRIP menu with some guidance in April and requested stakeholder feedback.
- In April, HHSC received comments on the draft DSRIP menu and is currently reviewing stakeholder feedback.
- HHSC will update DSRIP menu according to stakeholder feedback in May 2012.
- HHSC will share DSRIP menu and discuss with CMS in June 2012.

## Updated Proposed RHP Map

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In early April, HHSC released an updated RHP map.

- This is an update to a preliminary map HHSC released in February based on RHP participants' requested changes.
- HHSC accepted requests provided in a survey, through the waiver email address, and during regional meetings.

By April 24, 2012, each RHP was to submit a form to:

- Confirm counties in that RHP and the anchoring entity, or
- Request additional changes to the RHP map.

HHSC currently is analyzing submitted RHP forms.

- HHSC plans to work with regions that have conflicts.
- On May 17, 2012, HHSC will hold a public hearing to confirm geography and anchors for each RHP.



## Preliminary Anchors

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- RHP participants can use this list of preliminary anchors by RHP region to assist with regional planning.
- HHSC included on this list:
  - All proposed RHP anchor entities submitted in response to the February 2012 RHP map survey.
  - With the exception of entities that HHSC determined cannot be anchors.

# Pending Transformation Waiver Issues

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HHSC is working to resolve the following pending issues:

- Analysis of stakeholder comments – RHP map and DSRIP menu
  - Feedback from counties is currently being used to help guide final RHP map and DSRIP menu.
  - Examples of feedback from counties regarding the RHP map include:
    - Requests for region re-alignment to reflect geographic proximity.
    - Requests for re-alignment to more accurately reflect current patient flow/referral patterns for trauma care and higher level of care needs.
- Development of DSRIP and Program Funding and Mechanics Protocols for submission to CMS
  - Tool will determine the levels of payments for programs versus the method of payment.
- Continued work with CMS
  - Approval of the UC tool by June 1, 2012.
  - Need expedited review and approval by June-July 2012 of protocols for DSRIP and Program Funding and Mechanics .

## Timeline

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- May 17, 2012 - HHSC will hold a public hearing in Austin to confirm all RHPs on the map.
- June 2012 - HHSC plans to hold an RHP Planning Summit.
- September 1, 2012 - RHP plans are due to HHSC.
- October 31, 2012 - Final RHP plans are due to CMS.