



Presentation to the House County Affairs Committee on the Healthcare Transformation Waiver

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Transformation Waiver Overview

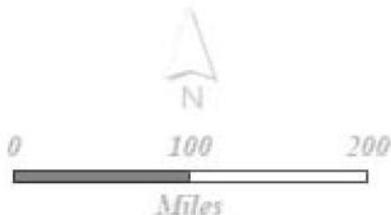
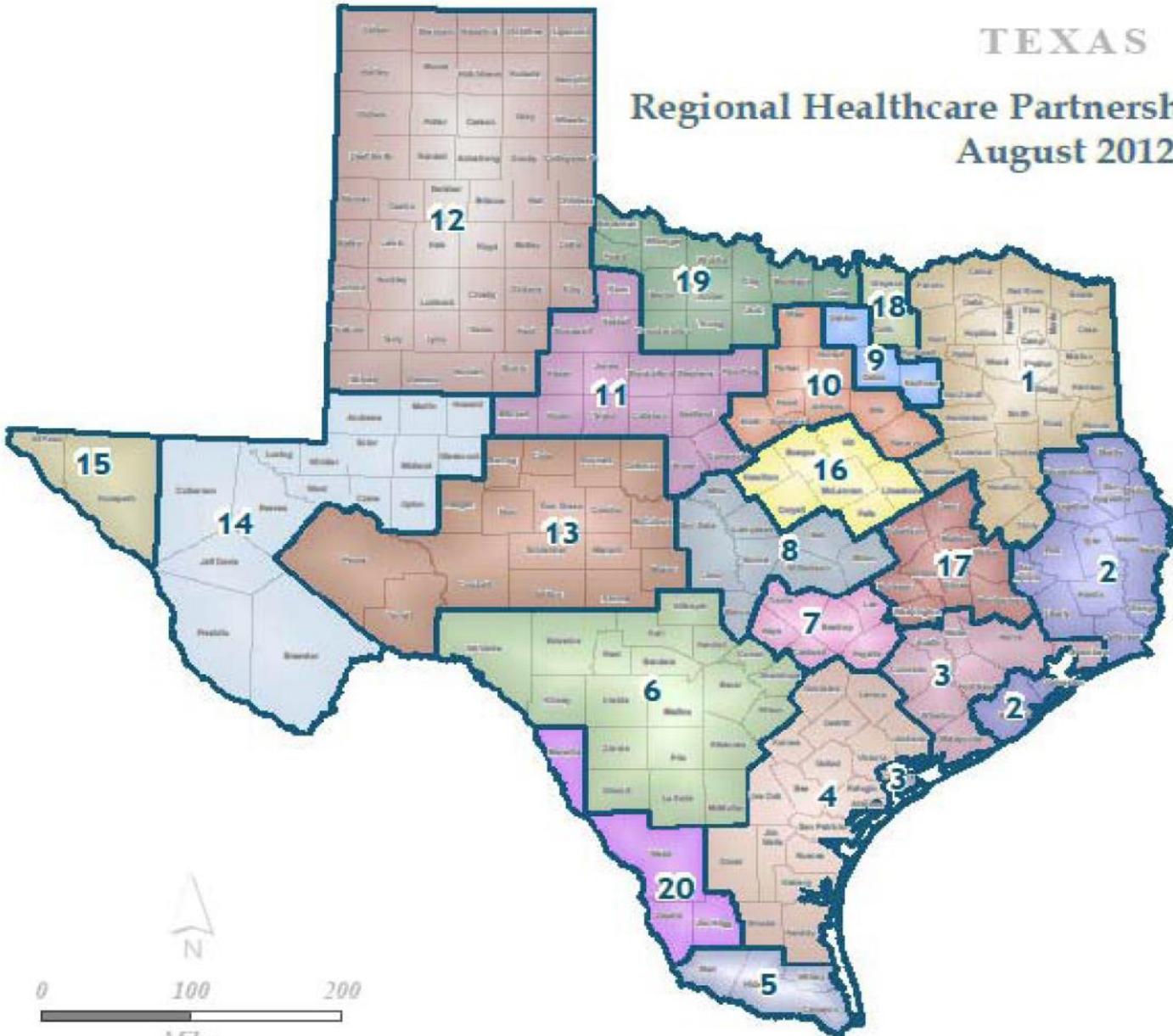
- Five-Year Medicaid 1115 Demonstration Waiver (2011 – 2016)
- Allows expansion of managed care while protecting hospital supplemental payments under a new methodology
- Incentivize delivery system improvements and improve access and system coordination
- Establishes Regional Healthcare Partnerships (RHPs) anchored by public hospitals or another public entity in coordination with local stakeholders.

Uncompensated Care (UC) and DSRIP

- Under the waiver, historic Upper Payment Limit (UPL) funds and new funds are distributed to hospitals and other providers through two pools:
 - **Uncompensated Care (UC) Pool (\$17.6 billion, All Funds)**
 - Replaces UPL
 - Costs for care provided to individuals who have no third party coverage for hospital and other services
 - **Delivery System Reform Incentive Payments (DSRIP) Pool (\$11.4 billion, All Funds)**
 - New program to support coordinated care and quality improvements through 20 RHPs
 - Transform delivery systems to improve care for individuals (including access, quality, and health outcomes), improve health for the population, and lower costs through efficiencies and improvements
 - DSRIP providers include hospitals, physician groups, community mental health centers, and local health departments.

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Regional Healthcare Partnership (RHP) Regions August 2012



Map Prepared by: Strategic Division Support Department,
Texas Health and Human Services Commission,
August 7, 2012

- Across the 20 RHPs, 300 DSRIP performing providers submitted projects:
 - 224 hospitals (public and private)
 - 18 physician groups
 - 38 community mental health centers
 - 20 local health departments.
- As of March 12, 2014, there were 1,277 approved and active DSRIP projects. Most common project types:
 - Expand access to primary and specialty care
 - Behavioral health interventions to prevent unnecessary use of services in certain settings (e.g. emergency department, jail)
 - Programs to help targeted patients navigate the healthcare system.
- More than 200 additional proposed 3-year DSRIP projects currently are under review with federal approval anticipated by June 2014.

- DSRIP participants are eligible to earn \$4.66 billion All Funds for the first three years of the waiver.
- While the valuations for the last two years of the waiver are not final, DSRIP projects for those years are estimated to be valued at over \$5 billion total.
- For successful submission of the 20 regional plans in the first year, RHP anchors and DSRIP providers received almost \$500 million.
- For project achievements in the second year of the waiver, DSRIP providers received about \$1.6 billion (as of January 2014).

DSRIP Projects – Measuring Success

- Most DSRIP projects have completed their start-up phase, and have successfully reported achievement of initial project activities.
- Projects have begun reporting their direct patient impact and establish benchmarks for project outcomes.
 - Providers report twice a year on project metrics and milestones completed to earn DSRIP payments.
- In the final two years of the waiver, providers will report improvement in outcome measures related to each project.
- HHSC will conduct a mid-point assessment this year to evaluate the progress of the projects so far.
 - This assessment will include a review each project's health outcomes of those served and particularly Medicaid and uninsured individuals.

DSRIP Projects – Measuring Success

- Providers and other DSRIP participants are meeting across the state to work collaboratively to identify best practices, share ways to improve projects, and promote continuous quality improvement.
 - These learning collaboratives are underway in many regions, and a statewide learning collaborative summit for all RHPs will be held September 9-10, 2014.
- Common topics for the regional learning collaboratives:
 - Behavioral healthcare, including integrated behavioral/primary healthcare
 - Care transitions and patient navigation
 - Chronic care and disease management
 - Reducing unnecessary emergency room use, potentially preventable readmissions
 - Primary care/access
- HHSC's formal evaluation of the waiver also will help provide information for the waiver renewal.
 - An interim evaluation report is due to CMS in 2015.

DSRIP Projects – Primary Healthcare

- Many of the approved DSRIP projects focus on primary care, including:
 - 199 projects to expand primary care capacity, including new clinics, mobile clinics and expanded space, hours and staffing
 - 36 projects to enhance or expand medical homes
 - 27 projects to increase training of primary care workforce
 - 18 projects to increase, enhance and expand dental services
 - 7 projects to redesign primary care.

- Examples of promising primary care-related projects from the regions:
 - City of Houston Department of Health and Human Services (RHP 3) - Expand oral health services for children, expand a dental sealant program for elementary school children in clinics, and initiate new oral health services for eligible perinatal women.
 - UT Health Science Center San Antonio (RHP 5) - Expand existing Family Medicine residency faculty at McAllen Medical Center.
 - University Hospital (RHP 6) - Expand primary care access by developing and implementing school-based health centers alongside mobile screenings.
 - Texas A&M Physicians (RHP 17) – Transform primary care clinics into patient centered medical homes.
 - Hamilton Hospital (RHP 19) - Open a rural health clinic in Archer City.

- About 400 of the approved DSRIP projects focus on behavioral healthcare, including:
 - 90 interventions to prevent unnecessary use of services (For example, in the criminal justice system or emergency department)
 - 58 projects to enhance behavioral health service availability (hours, locations, transportation, mobile clinics)
 - 59 projects to develop behavioral healthcare crisis stabilization services
 - 49 projects to integrate primary and behavioral healthcare care services
 - 21 projects to deliver behavioral healthcare care services through telemedicine/telehealth.

DSRIP Projects – Behavioral Healthcare

- Examples of promising behavioral healthcare projects from the regions:
 - Coastal Plains Community Center (RHP 4) - Integrate primary healthcare and substance abuse services at 5 behavioral healthcare clinics.
 - Center for Health Care Services (RHP 6) - Establish a centralized, accessible campus from which systems or families can obtain care for children and adolescents with a serious emotional and/or behavioral problem or developmental delay.
 - Austin Travis County Integral Care (RHP 7) – Expand Mobile Crisis Outreach Team capacity at key community intercept points.
 - Metrocare (RHP 9) – Integrate behavioral healthcare into the outpatient obstetrics setting to provide increased access to mental health services for the treatment of postpartum depression.
 - Hill Country Community MHMR Center (RHPs 6, 7 & 13) – Implement Trauma Informed Care Services.

Waiver Renewal Timeframe

- April 1, 2014 marked the mid-point of the waiver.
- The waiver expires on September 30, 2016.
- HHSC must submit a renewal request to the Centers for Medicare & Medicaid Services (CMS) no later than September 30, 2015, to extend the waiver.
- HHSC is beginning to discuss renewal with key stakeholders and plans to hold public meetings in 2014 and 2015 to solicit public input.

- In anticipation of waiver renewal, HHSC is working with all of the regions to ensure that the DSRIP projects show measurable improvements in healthcare access and outcomes, particularly for Medicaid and the low-income uninsured patients.
- Future Goals of DSRIP:
 - Reflect a unified quality strategy for Texas Medicaid managed care and DSRIP.
 - Establish shared incentives within regions to make improvements in healthcare delivery and population health indicators.