

# Navigating the Fog

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# AGENDA



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- The 1115 Waiver Extension
  - The Agreement
  - What is Next
- New Managed Care Rules
- Transformation at THA
  - PSO
  - Credentialing and Enrollment
  - PDS
  - Smart Ribbon and Digital Marketing

- CMS agrees to temporary waiver extension
  - Through December 2017
  - Current terms
    - UC pool: \$3.1 billion for 12 months
    - DSRIP pool: \$3.1 billion for 12 months
    - Prorated UC and DSRIP payments for months 13-15
    - Continue DSRIP projects and statewide managed care

## What's Next?

### 1. Study of UC needs

- Purpose: “rebase the size of the uncompensated care pools”
- **Will estimate what Texas' UC burden would be in FFY 2017 if Texas Medicaid rates fully funded Medicaid shortfall, and if Texas opted to expand Medicaid as allowed under the ACA.**
- Draft must be completed by July 15 and final by August 30
- HHSC contracting with HMA and Deloitte

## What's Next?

### 2. Method of finance issues

- Deferral of federal UC payments
- CMS agreed to give state until end of August 2017 to resolve any issues with private hospital funding methodology

## What's Next?

### 3. Negotiate a new 5-year waiver

- Status quo not a possibility
- Use the 15 months to come to “an agreement to reform the state’s Uncompensated Care pool and DSRIP.”

## What's Next?

### 4. Failure to reach an agreement

- If state and CMS can't agree on a UC pool that is consistent with CMS' UC pool principles and a DSRIP that supports Texas's commitment to managed care:
  - DSRIP will be phased out beginning at 25 percent in 2018 over four years;
  - UC pool will be limited to the costs of uncompensated and charity care for low-income individuals who are uninsured and cannot be covered through Medicaid or other insurance programs;
    - Under these terms, Texas would receive less than \$2 billion in UC funds -- significantly less than what it currently receives (\$3.1 billion) and less than UC need (estimated to reach \$6.6 billion by 2018).

## What's Next?

### 5. Failure not an option

- What will new waiver look like?



### **B**illion Dollar Question

Big unknowns:

Coverage expansion and Medicaid rate increase



# New federal rule governing Medicaid managed care

- Federal government issued final rule late April
- Approx 85 percent of Medicaid enrollees in Texas are in risk-based, capitated managed care plans
- Subjects Medicaid managed care plans to national medical loss ratio of at least 85 percent but impose no fines or penalties on plans with a lower ratio
- May provide for directed payments
- Requires states to create own network adequacy standards for plans
- Authorizes CMS to develop a Medicaid and CHIP managed care quality rating system

# What's Happening at THA



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Hospitals working together to  
transform into change leaders  
rather than change followers

# What's Happening at THA Patient Safety Organization



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Initially operated in 2012-2014

Current redesign adds features to improve its value for participants:

1. Improved data reporting system to streamline process and require less time from participants.
2. New data partner to manage data input and comparisons to other hospitals in PSO.

Maintain its value for collaboration and sharing experiences for improvement.

1. Confidential safe tables
2. Library of resource materials to participants through online portal.

# What's Happening at THA

## Focus on Helping Hospitals Find Solutions



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### THA Credentialing and Enrollment

- Solution to streamline physician onboarding process.
- Enables hospitals to move physicians into care environments faster with better credentialing efficacy.
- Decreasing staff time commitment.
- Technology used enables credentialing and enrollment process to get even faster over time.



# What's Happening at THA

## Focus on Data and Technology



## Patient Data Systems (PDS)

Improving PDS value with additions such as:

- 1) patient identifier
- 2) data visualizer
- 3) even more sophisticated analysis tools



# What's Happening at THA

## Focus on Data and Technology



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## THA SmartRibbon

- Provides quick access to vital patient information to influence physician decisions at the point of care;
- Patent-pending;
- Gives physicians real-time, patient-specific cost and risk data;
- Can be used by any hospital, without EMR integration.
- [www.tha.org/thasmaribbon](http://www.tha.org/thasmaribbon)



# What's Happening at THA

## Focus on Data and Technology



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## THA Digital Marketing

- Streamlines practices for using digital and new media to attract and engage patients.
- Four main products and services:
  - Patient identification/acquisition through the use of online health risk assessments
  - Digital audit and performance review of current websites and social media sites;
  - Directory management services; and
  - Custom training and education.
- [www.tha.org/digitalmarketing](http://www.tha.org/digitalmarketing)



# Questions?



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## How can we help?