

SUSTAINABILITY IN AN EVER-CHANGING LANDSCAPE

Medicaid Reformed, Reforming and to-be Reformed

Medicaid Reformed

2011

- 1115 Waiver
 - DSRIP
 - UC
- State Wide Managed Care

Medicaid Reforming

- MPAP/QIPP
- NAIP
- DSRIP
- UC
- Value Based Purchasing
- Shared Savings
- Potentially Preventable Events
- Beneficiary Incentives

MEDICAID TO BE REFORMED

1115 Waiver Extension

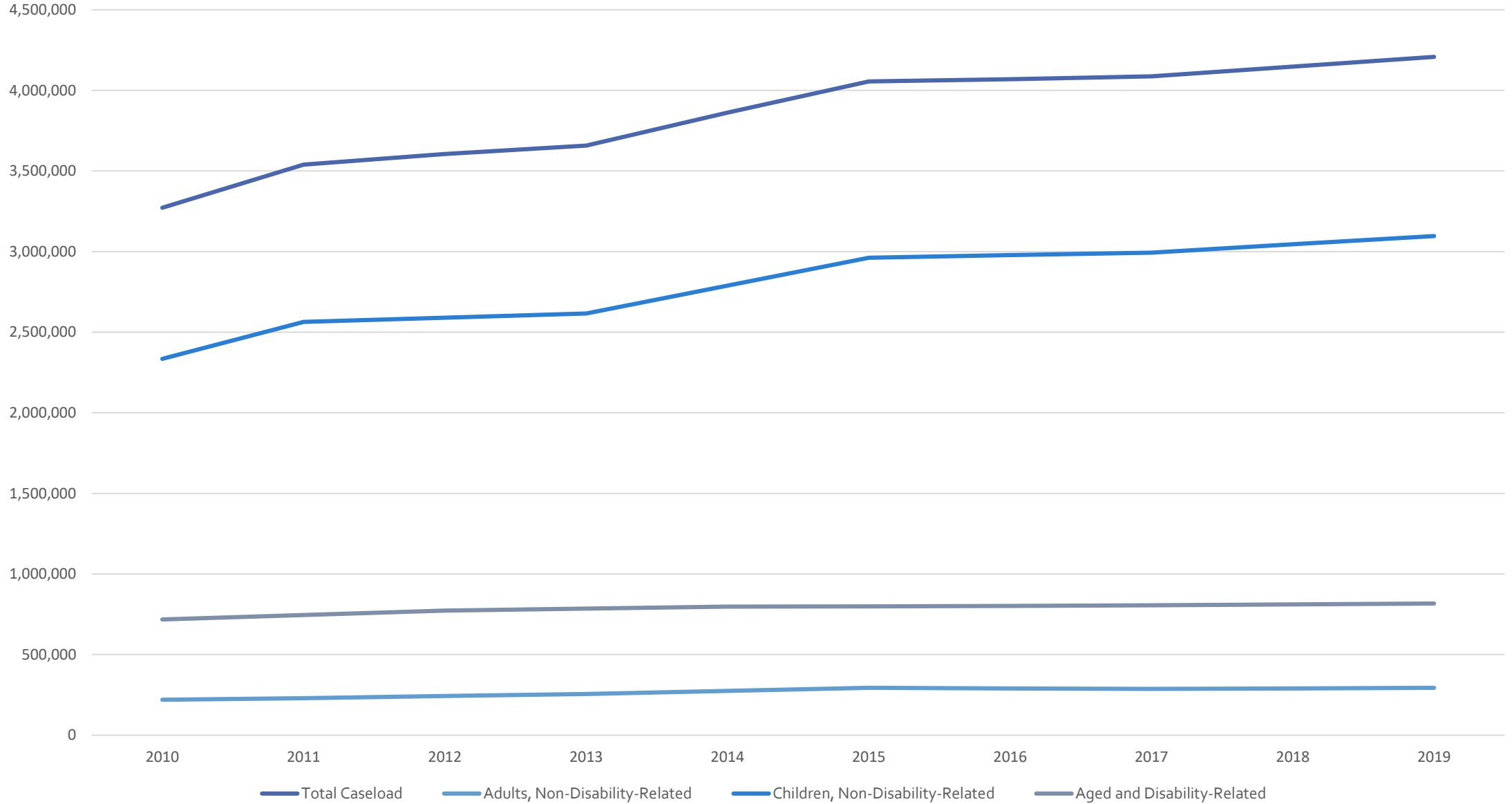
- 21 Month Extension Request, through September 30, 2019 (FY 2019)
- Level Funding for
 - UC - \$3.1 Billion
 - DSRIP - \$3.1 Billion
- 85th Legislature (Budgets FY 2018 and FY 2019)
- Continuation of State Wide Medicaid Managed Care
- DY 7/FY 2018 rules will be out in early 2017
- PFM will be for up to four additional Dys
- Regional Uniform Rate Enhancements

Medicaid Managed Care

- State of Texas Access Reform (STAR): Program providing primary and acute care and prescription drugs for newborns, children, pregnant women, and TANF adults.
- STAR+PLUS: Program providing acute care, long-term services and supports, and prescription drugs for persons aged 65 and older or with physical or intellectual and developmental disabilities. Persons with IDD receive their acute care in only. Dual eligible Medicaid-Medicare clients receive long-term services and supports only.
- STAR Kids: Program launched in November 2016 for disabled children that provides acute care, prescription drugs, specialty care, personal care services, private duty nursing, and durable medical equipment. Many of the children served by this program were previously in FFS.
- STAR Health: Program providing primary and acute care and prescription drugs for foster children.
- MMP-Dual Eligible Demonstration: A dual eligible integrated care demonstration program operates in six counties for certain Medicare and STAR+PLUS Medicaid clients. Participants receive all benefits from one health plan.

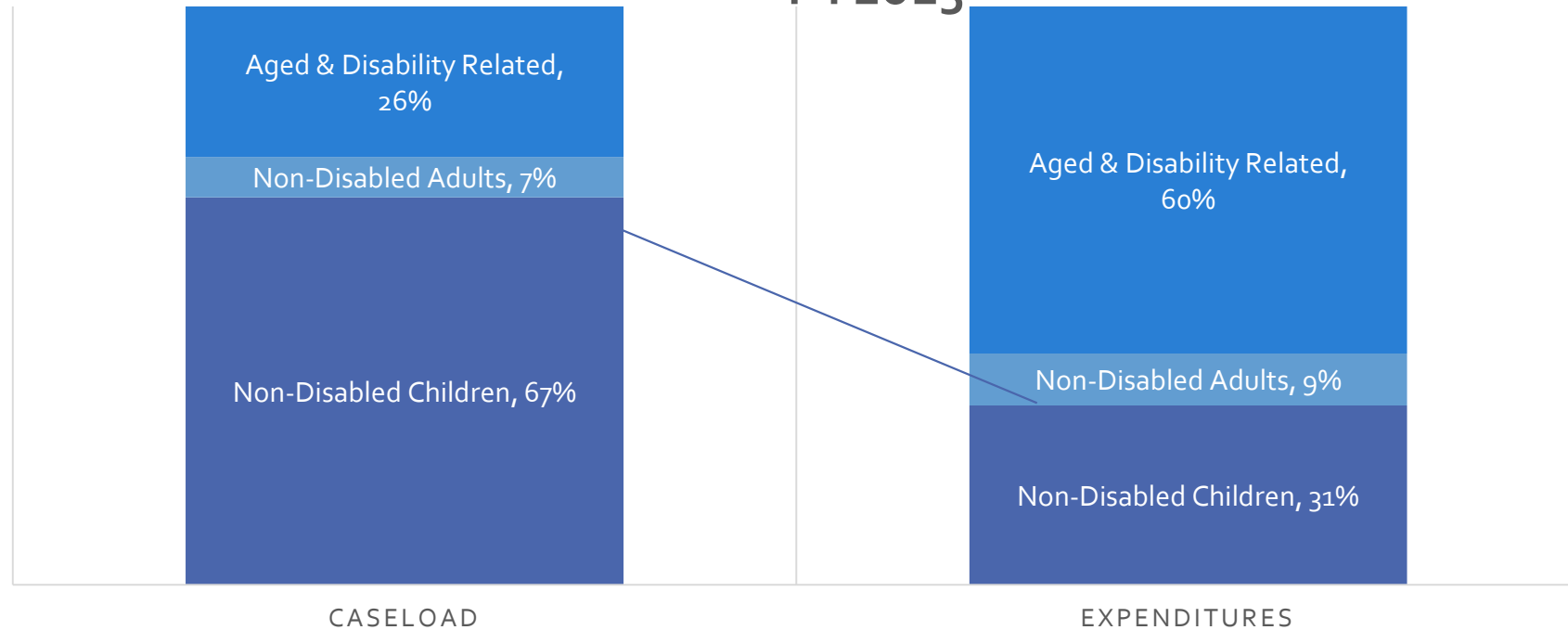
Breast and Cervical Cancer and persons with IDD receive their long-term services and supports in STAR+PLUS soon.

Medicaid Caseload, FY2010-2019



Spending ~\$25 billion to MCOs

TEXAS MEDICAID BENEFICIARIES AND EXPENDITURES, FY2013



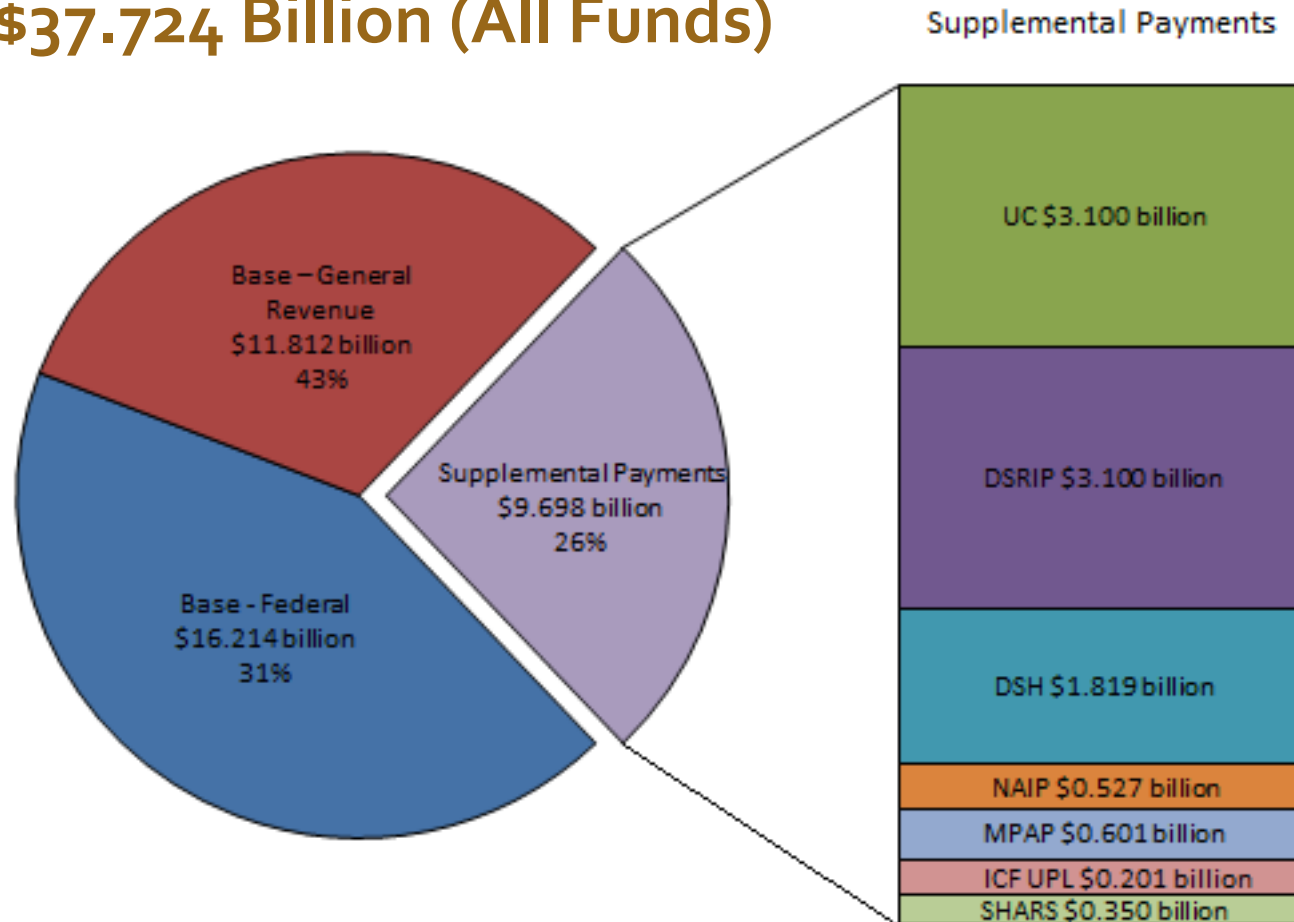
Block Grants v. Per Capita Spending Caps

- FY 2019
- Fixed Funding Options
- Funding included in Federal Share or Budget Neutrality
- Populations included

HHSC SLIDES

FY 2016 Estimated Texas Medicaid Client Services and Supplemental Payments

\$37.724 Billion (All Funds)

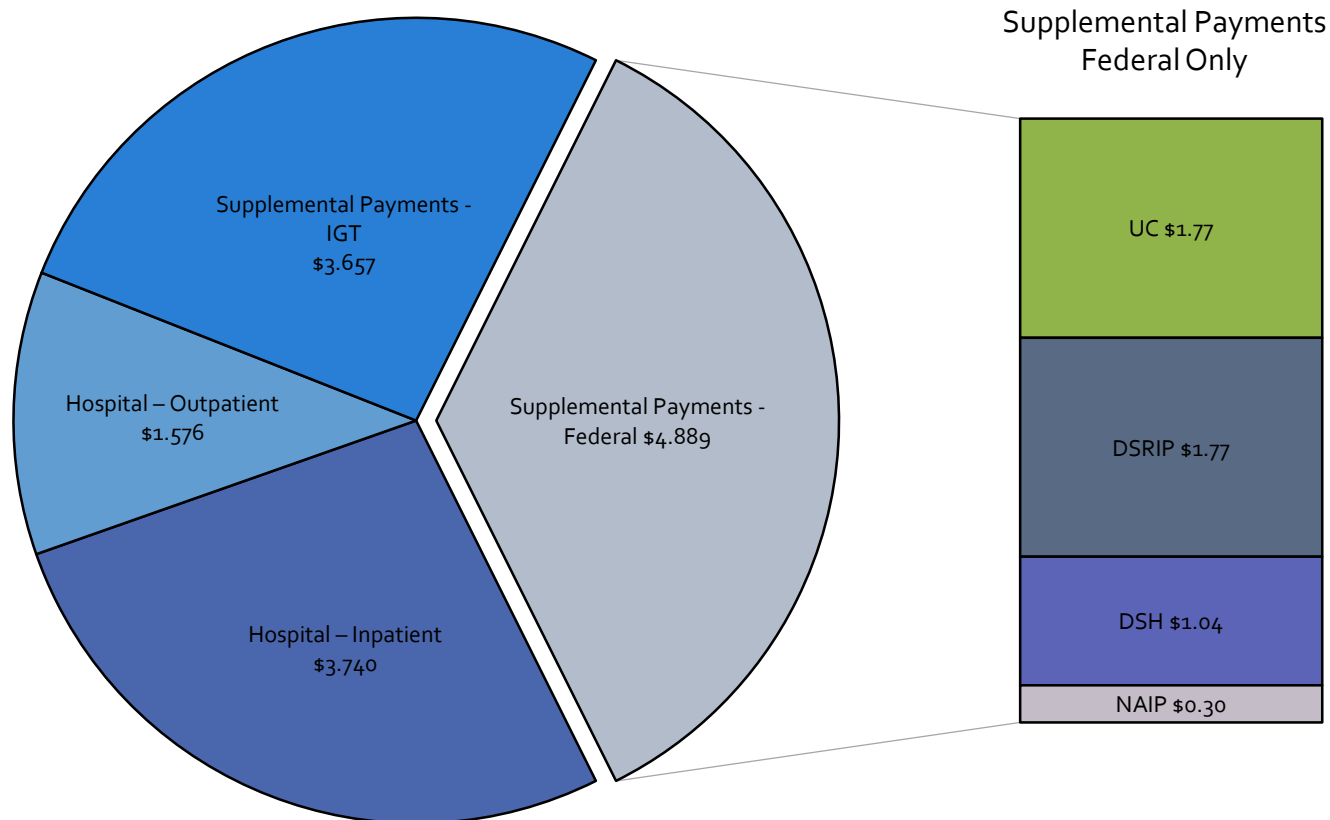


Note: Does not include \$1.633 billion All Funds for Administration and Survey and Certification

Source: HHSC Rate Analysis; 2/16 Submission CMS-37

FY 2016 Estimated Texas Medicaid Hospital Payments and Supplemental Payments for Health Services Expenditures

\$13.862 Billion (All Funds)



NOTE: Outpatient figures exclude Federally Qualified Health Center, Rural Health Center and Renal Dialysis Clinic expenditures that may have been included in previous presentations of hospital outpatient expenditures.

Source: HHSC Rate Analysis