

Key Issues for Texas Hospitals

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Healthcare Landscape 2017 Conference

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Agenda

- Texas Hospitals: A Look at the Numbers
- Policy Priorities: 85th Legislature
- Medicaid 1115 Waiver Renewal
- Fixed Federal Funding Principles



Texas Hospitals by the Numbers

- 630: hospitals in Texas
- 288: designated trauma facilities
- \$144B: generated in annual economic activity by hospital jobs
- \$7.1B: uncompensated care (at cost) provided*

*before Disproportionate Hospital Share (DSH) and uncompensated care (UC) payments



Main Priorities for 2017

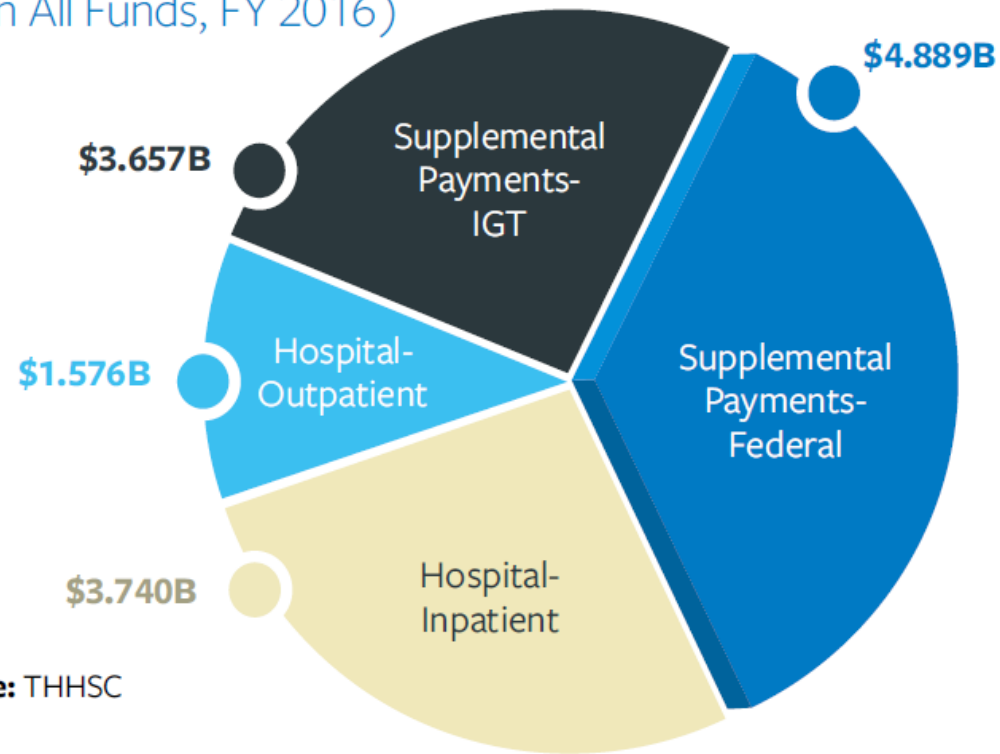
- 85th legislative session
 - Medicaid funding
 - Trauma funding
 - Behavioral health workforce and funding
 - GME and nursing workforce funding
- CMS/Administration
 - Waiver renewal beyond December 2017
- 115th Congress
 - ACA repeal and replace
 - Fixed federal funding proposals



Medicaid Funding

Estimated Texas Medicaid Hospital Payments and Supplemental Payments

(\$13.862 Billion All Funds, FY 2016)

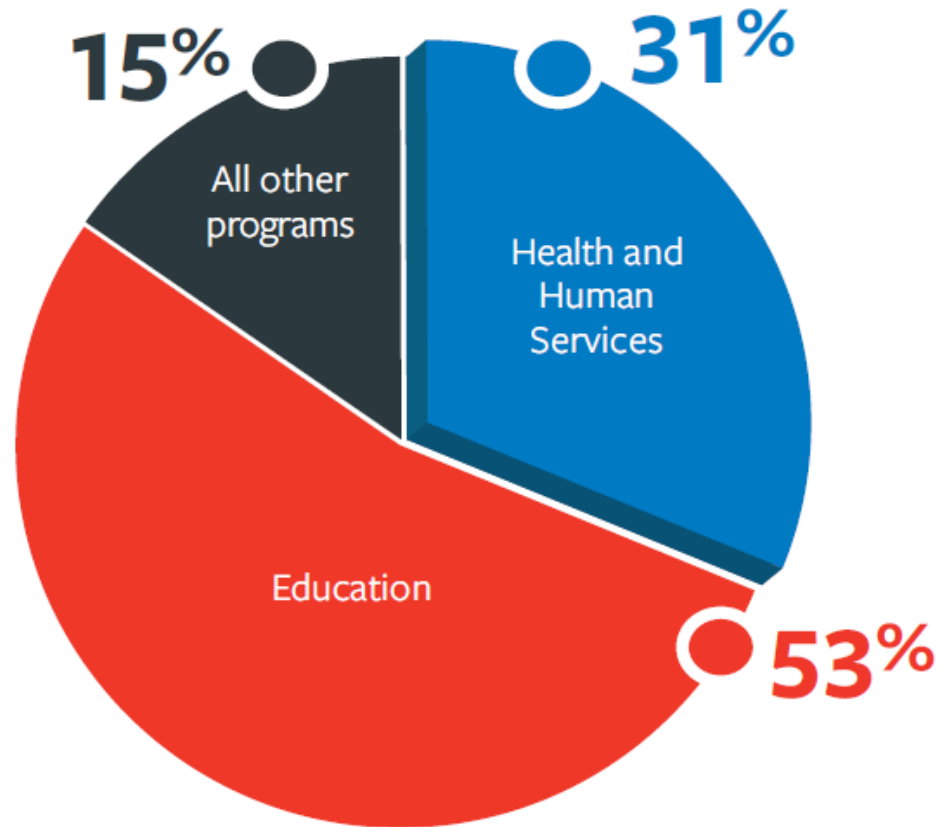


Source: THHSC



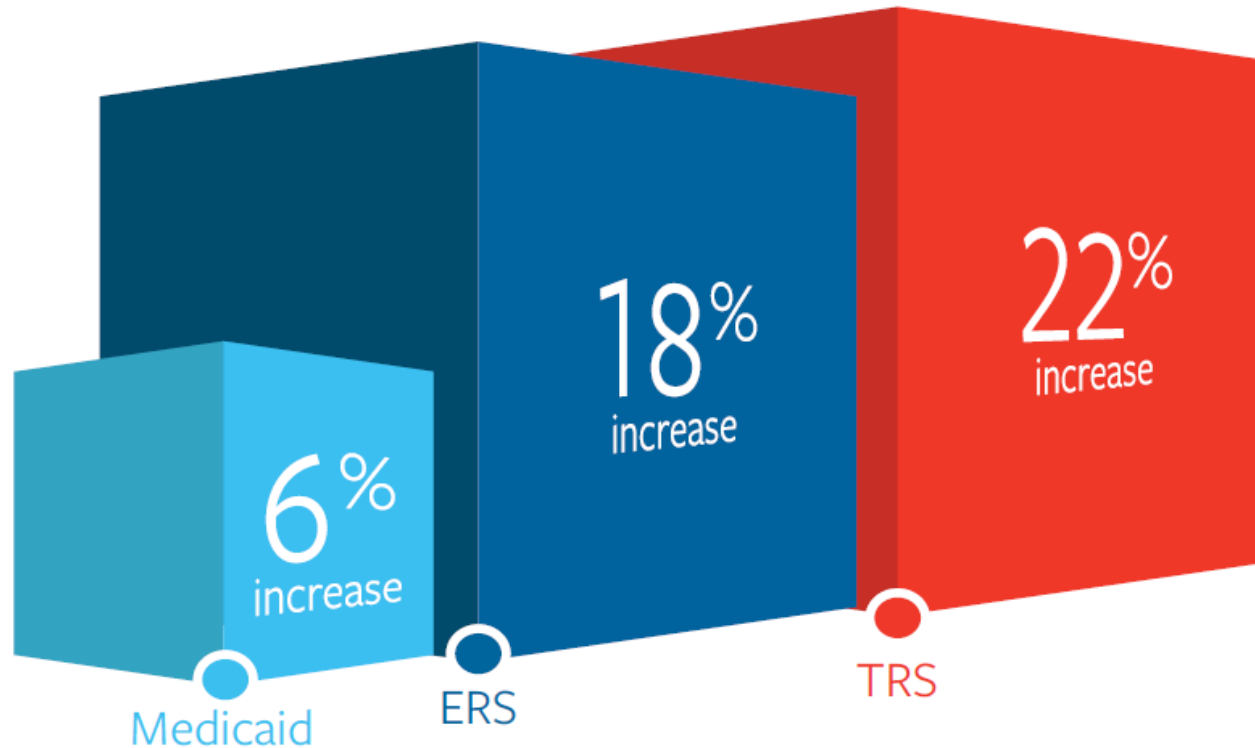
Medicaid Funding

State General Revenue
Spending (2014-15)



Medicaid Funding

Projected Growth in Costs for Medicaid, ERS and TRS (2016-17 to 2018-19)



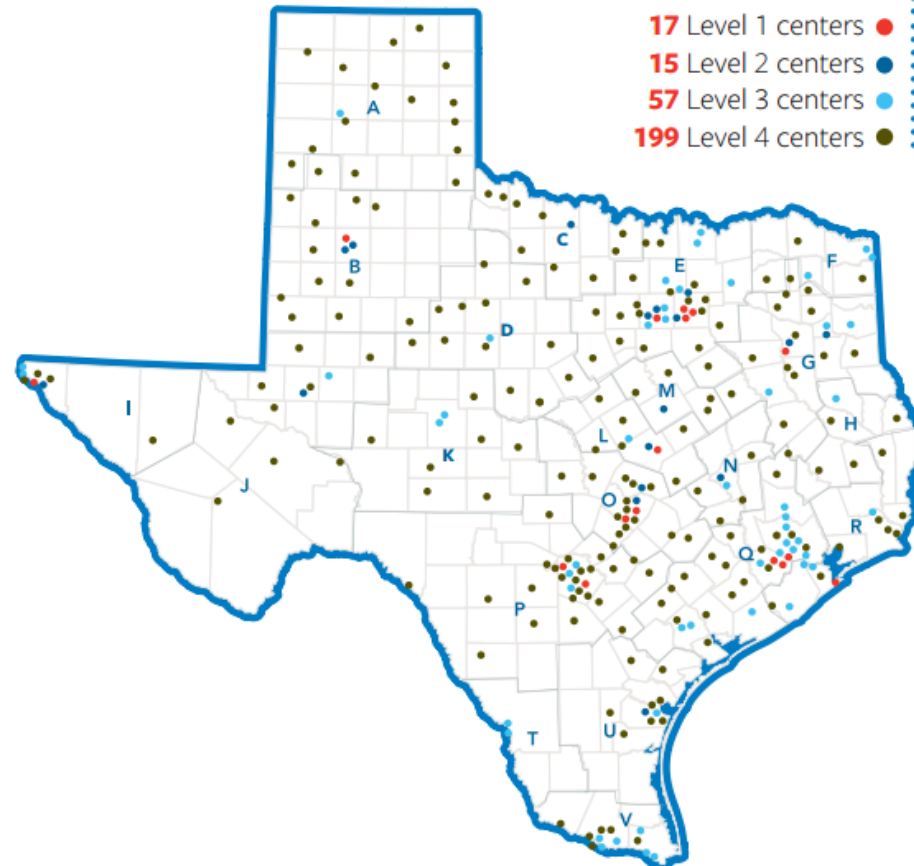
Medicaid Funding

- House and Senate budget proposals preserve funding for Medicaid rate add-ons for trauma, safety net and rural hospitals.
- But....major differences in revenue allocated to Medicaid.



Trauma Funding

288 designated trauma hospitals statewide to provide life-saving care



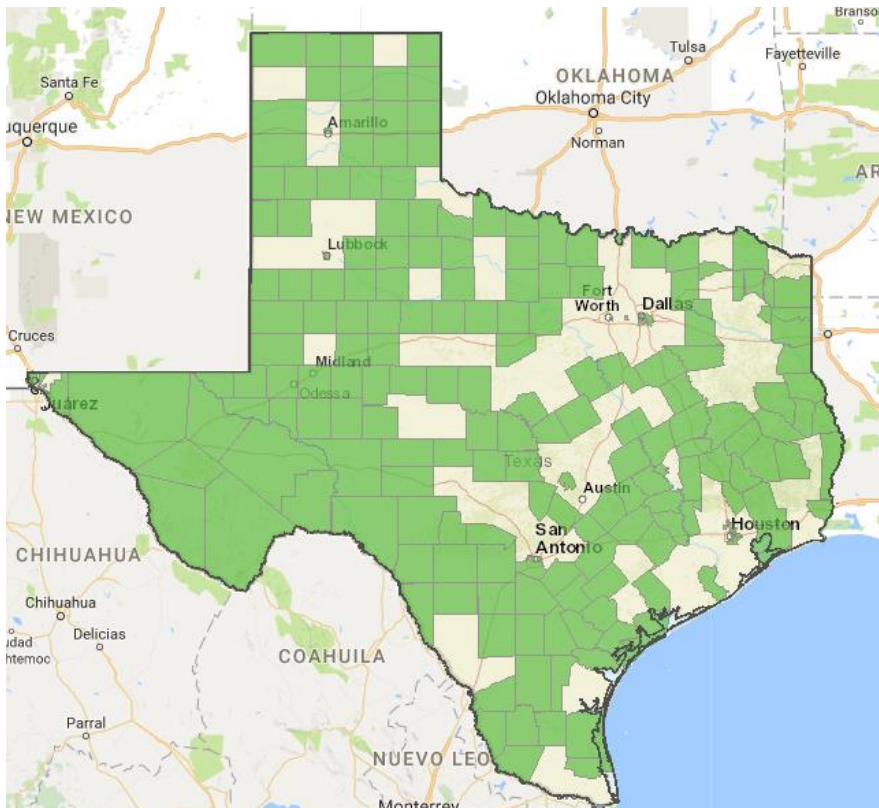
Behavioral Health Workforce and Funding

- Texas hospitals support:
 - Increasing access to state-funded hospital beds
 - Expanding the substance use provider workforce
 - Mental health parity

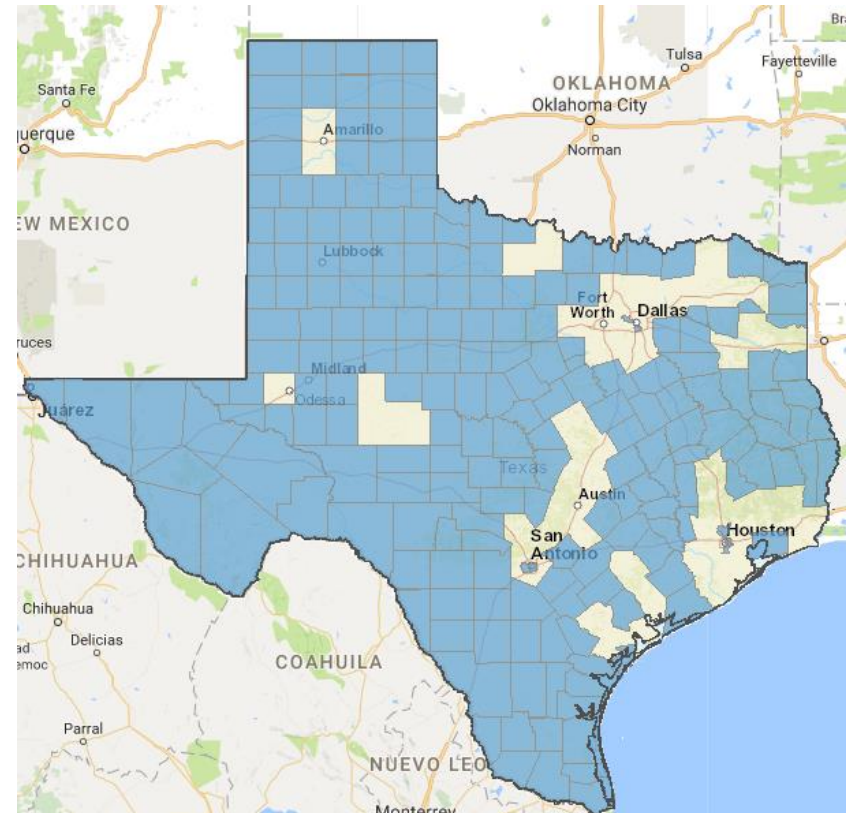


Health Care Workforce

2017 Health Professional Shortage Area -
Primary Care



2017 Health Professional Shortage Area -
Mental Health



Medicaid 1115 Waiver Renewal

- The waiver is set to expire December 31, 2017.
- THHSC has requested an additional 21 months with level funding through September 30, 2019.



ACA Repeal and Replace

- Texas hospitals support repealing hospital cuts that have paid for coverage gains.
- Also support at the very least maintaining coverage gains (approx. 1 million Texans gained health insurance over the life of the ACA)



Fixed Federal Funding Proposals

- Block grants or per capita spending caps
- Texas hospitals will lead efforts to ensure that changes to Medicaid entitlement include guardrails to ensure fair reimbursement and adequate access to care.



Questions?

- How can we help?

