The Texas 1115 Medicaid Waiver:

Going, Going, Gone?
Or
Going, Going Beyond?

HFMA South Texas Annual Spring Institute
San Antonio, TX
Carol Huber, MBA
May 23, 2017
Welcome to Waiver World!

• Yes, “non-DSRIP providers” are welcome, too!
• Yes, we have LOTS of acronyms.
• Yes, we are still building the airplane.
• Yes, please ask questions!
Going, Going... Gone?
# Medicaid 1115 Waiver Overview

<table>
<thead>
<tr>
<th>Approved $29 billion</th>
<th>Approved $7.75 billion</th>
<th>Requesting ~$10.8 billion</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 years</td>
<td>15 months</td>
<td>21 months?</td>
</tr>
</tbody>
</table>

Expanded Medicaid managed care statewide and created incentive pools:
- Uncompensated Care (UC)
- Delivery System Reform Incentive Payment (DSRIP)

Extensions continue programs at level funding and focus on:
- Outcomes
- Sustainability
- Transition to quality-based payment systems across managed care and providers
## Incentive Pools

<table>
<thead>
<tr>
<th></th>
<th>Dollars in Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Y1</strong> Transition</td>
<td><strong>Y2</strong></td>
</tr>
<tr>
<td>Dollars UC</td>
<td>$3,700</td>
</tr>
<tr>
<td>Dollars DSRIP</td>
<td>$500</td>
</tr>
<tr>
<td>Total Dollars</td>
<td>$4,200</td>
</tr>
<tr>
<td>% UC</td>
<td>88%</td>
</tr>
<tr>
<td>% DSRIP</td>
<td>12%</td>
</tr>
<tr>
<td>% Total</td>
<td>100%</td>
</tr>
<tr>
<td>UPL in 2011</td>
<td></td>
</tr>
</tbody>
</table>

The total pool amount of $29 billion is considered “all funds” and includes the federal AND state share. The state share is primarily funded by local government entities through a process known as Intergovernmental Transfer (IGT).

<table>
<thead>
<tr>
<th>ACA passed</th>
<th>Waiver approved</th>
<th>Medicaid expansion not required</th>
<th>No Medicaid expansion in Texas</th>
<th>End of waiver term</th>
<th>Renewal / Extension</th>
</tr>
</thead>
</table>

[Note: Ignoring the specific years and terms for the sake of a natural text representation]
DSRIP Providers:
• 18 hospitals (9 in Bexar County; 9 rural)
• *Four community mental health centers, including the Center for Health Care Services
• *San Antonio Metropolitan Health District
• UT Health San Antonio – Medical, Nursing, and Dental Schools
• University Medicine Associates

Anchored by

University Health System

RHP6
Texas 1115 Waiver
Improving Health. Transforming Care.
www.TexasRHP6.com
RHP 6 Community Needs Addressed through 124 DSRIP Projects and Collaboration

- Quality of care in Texas is below the national average (51 projects)
- High rates of chronic conditions require improved management and prevention (58 projects)
- Poor access to medical and dental care (52 projects)
- Lack of integrated behavioral health services (42 projects)
- Poor maternal and child health outcomes (5 projects)
- High rates of communicable and vaccine-preventable diseases (4 projects)

Projects may address more than one community need.
Each DSRIP project earns financial incentives tied to performance on activities and outcomes.

Providers are collaborating to achieve the “Triple Aim” with improvements in access, diabetes control, readmission rates, preventive visits, cancer screenings, dental care, palliative care, patient satisfaction, and more.

Patient navigation, care coordination, and behavioral health services

School-based health, prevention, after-hours care, and mobile services

Telemedicine and integration of clinical services
RHP 6 DSRIP Projects:
124 project by 25 providers

- Behavioral Health (37)
- Primary Care (23)
- Care Mgmt/Navigation (20)
- Specialty Care (13)
- Health Promotion (9)
- Process Improvement (9)
- Telemedicine (6)
- Other (8)

Texas: 1,430 projects by more than 300 providers
RHP 6 Interactive Tool
http://www.texasrhp6.com/rhp6-public-meeting/

RHP 6’s 124 DSRIP projects are organized by provider, county, project focus, and outcome measure.

Select an option by clicking one of the boxes below.

- There are 25 providers with active DSRIP projects, including:
  - Hospitals
  - Community Mental Health Centers
  - Physician practices
  - Local public health
  - An additional five providers are participating in the Uncompensated Care (UC) pool.

RHP 6 Quick Facts:
- 20 counties
- 24,734 square miles
- 2.3 million residents
- 54% Hispanic / 37% Anglo
- 16% live below poverty line
- 24% without health coverage
- $36,000 per capita income
- 20% did not complete high school

- Providers selected project areas from a menu called the RHP Planning Protocol
  - For this tool, the 33 project areas have been organized into 12 focus areas.
  - All proposed projects were reviewed and approved by HHSC and CMS.
  - Incentives are paid for achieving approved milestones and metrics.

- 190 outcome measures were selected by RHP 6 providers and approved by HHSC in Demonstration Year (DY) 3.
  - Baselines were set in DY3.
  - DY4 incentives will be paid for reporting and performance.
  - DY5 incentives will be paid for performance only.

View incentives earned by providers for Years 1-4
RHP 6 Path to Success

Inputs
- Providers
- Financial investments
- Staff
- Facilities
- HHSC/CMS
- Policy
- Stakeholders

Activities
- Develop & implement programs
- Serve patients / consumers
- Share data
- Learn collaboratively
- Partner across sectors

Short/Medium Term Outcomes
- Potentially Preventable Events
  - Patient satisfaction
  - Reduce cost of care
  - Provider capacity
  - HEDIS and other quality measures
  - Incidence/prevalence of infectious and chronic disease

Long Term Outcomes
- Mortality
- Health Status
- Years of Potential Life Lost
- Health Equity

Recognize / Address / Impact social determinants
Achieve a collaborative cross-sector integrated system of care
Trends in Uninsurance for Texas Adults Ages 18-64

- 25% in Sep-13
- 24% in Mar-14
- 22% in Jun-14
- 17% in Mar-15

- 18% for All States in Sep-13
- 15% for All States in Mar-14
- 14% for All States in Jun-14
- 10% for All States in Mar-15

Rice University Baker Institute – April 30, 2015

117 DSRIP projects serve uninsured populations
37 DSRIP projects serve populations that are at least 50% uninsured
RHP 6 Quantifiable Patient Impact (QPI)

**Individuals**
- DY4: Achieved 224,573, Goal 153,540
- DY5: Achieved 267,757, Goal 233,143

**Encounters**
- DY3: Achieved 166,037, Goal 251,408
- DY4: Achieved 429,462, Goal 408,895
- DY5: Achieved 500,452, Goal 408,895

HHSC QPI summary file as of 3/24/17
DSRIP Funds Earned by RHP 6 Providers (DYs 2-5)
As of January 2017, $9.9 billion in DY1-5 incentives have been earned statewide.

- Bexar County Public Entities Value: $768.7M
- Bexar County Private Hospitals Value: $211M
- Rural Hospitals Value: $88.8M
- Community Mental Health Centers Value: 40.9M
RHP 6 Uncompensated Care Pool

UC Incentives received as of 9/2016
Going, Going... Beyond!
**Transformation** is...
Improving health and quality outcomes through DSRIP projects

85%

**Process & Improvement Milestones Achieved - DY5**
- Patients served
- Encounters provided
- Staff/providers hired & trained
- Quality improvement initiatives

70%

**Outcome Targets Achieved – DY5**
- Diabetes care and control
- Readmissions
- Cancer screenings
- Dental care
- Patient satisfaction
- Blood pressure control
- Preventive Care
Statewide Outcome Success on PY 1 (DY4) - Selected Measures

<table>
<thead>
<tr>
<th>Outcome Measure</th>
<th>Statewide Success Rate (PY 1)</th>
<th>RHP 6 Success Rate (PY 1)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diabetes Care: HbA1c Poor Control</td>
<td>74%</td>
<td>100%</td>
</tr>
<tr>
<td>Emergency Department Visits for Diabetes</td>
<td>93%</td>
<td>100%</td>
</tr>
<tr>
<td>Cancer Screening Rates (Breast, Cervical, or Colorectal)</td>
<td>69%</td>
<td>91%</td>
</tr>
<tr>
<td>Hospital Readmissions</td>
<td>75%</td>
<td>86%</td>
</tr>
<tr>
<td>Follow up after Hospitalization for Mental Illness</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Palliative Care Processes</td>
<td>98%</td>
<td>100%</td>
</tr>
</tbody>
</table>

* Includes Carry Forward Reporting
Transformation is...
Increasing collaboration among providers and stakeholders

1. Networking Opportunities
2. “Actionable” project list
3. Address project challenges
4. Set common aim
5. Cross-sector workgroups

Through their design and leadership, Regional Healthcare Partnerships drive collaboration and transformation.
Transformation is... Planning for and achieving sustainability

• It takes more than just money.

https://sustaintool.org/
What is **REALLY** required for sustainability?

- Logic Model
- Data Plan
- Org Capacity
- Env’t Support
- Sustainability
- Funding Stability
- Partnerships
- Program Adapt’n
- Strategic Planning
- Communication
- Program Evaluation
Transformation is...
An expanded perspective on health

Need greater focus and investment here

Adapted from http://www.cdc.gov/socialdeterminants/FAQ.html
Are we there yet?

• Close the gaps
  – Local practice to best practice
  – Funding
  – Data
  – Equity
  – Insurance coverage

No, but we are working hard to make progress.

What else can we do together?

• Collaborate across all sectors
• Prepare for DYs 7 and 8
## DSRIP Terminology 101

<table>
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<tr>
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<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>30%</td>
<td>0%</td>
<td></td>
<td>60%</td>
<td>10%</td>
<td>75% or 85%*</td>
<td>5 or 15%</td>
</tr>
</tbody>
</table>

* Draft PFM Protocol provides 20% of DY7 allocation for submission of RHP Plan Update - due January 31, 2018*
We picked Cat 1 or 2 “projects.” We invested resources, hired people, opened clinics, etc. 60% upon completion. We selected and achieved Cat 3 measures related to the projects 30% upon achievement.

Address Community Needs

We select outcome measure bundles important to our “system” 55-85% upon achievement. We implement current or new “core activities” to achieve those bundles 0%. Invest accordingly. Engage the entire “system.”

HHSC approves selections and plan mods.

Rapid Cycle Improvement

Proposed for DY7-8
DY 7 – 8 Proposed PFM Protocol: Reporting and Payment Timeline

*All subject to change*

**DY 6**
- May 17: HHSC assigns points to performing providers
- July 17: HHSC submits Measure Bundle Protocol to CMS
- August 17: Target CMS approval Measure Bundle Protocol

**DY 7 (Oct 17–Sept 18)**
- Identify, implement, manage core activities and data to achieve outcome bundles, including progress on alt. payment methods, collaborations, and calculations of cost/savings
- DY 7 Cat B Measurement period
- CY 2017: Cat C Baseline Msmt Pd
- May 17: HHSC assigns points to performing providers
- July 17: HHSC submits Measure Bundle Protocol to CMS
- August 17: Target CMS approval Measure Bundle Protocol

**DY 8 (Oct 18–Sept 19)**
- DY 8 Cat B Measurement period
- CY 2018: Cat C Performance Pd 1
- CY 2019: Cat C Performance Pd 2
- June 18: Earn 20% of DY7 allocation
- July 18: Earn 25% DY7 Cat C
- July 18: Earn 25% DY7 Cat C
- July 18: Earn 25% DY7 Cat C
- December 18: Earn 25% DY7 Cat C
- January 19: Earn 10% DY7 (Cat D)
- January 19: Earn 10% DY7 (Cat D)
- January 19: Earn 10% DY7 (Cat D)
- January 19: Earn 10% DY7 (Cat D)
- October 18: Report outcome baselines
- April 18: Report outcome baselines
- October 18: Report outcome baselines
- October 18: Report outcome baselines
- April 19: Achieve DY7 Cat B & DY7 outcomes
- April 19: Achieve DY7 Cat B & DY7 outcomes
- April 19: Achieve DY7 Cat B & DY7 outcomes
- April 19: Achieve DY7 Cat B & DY7 outcomes
- April 20: Achieve DY8 Cat B & DY8 outcomes
- April 20: Achieve DY8 Cat B & DY8 outcomes
- April 20: Achieve DY8 Cat B & DY8 outcomes
- April 20: Achieve DY8 Cat B & DY8 outcomes

**DY 9 (Oct 19–Sept 20)**
- January 20: Earn 10% DY8 (Cat D)
- January 20: Earn 10% DY8 (Cat D)
- January 20: Earn 10% DY8 (Cat D)
- January 20: Earn 10% DY8 (Cat D)
- October 19: Report DY8 Cat A core activities & DY8 Cat D
- October 19: Report DY8 Cat A core activities & DY8 Cat D
- October 19: Report DY8 Cat A core activities & DY8 Cat D
- October 19: Report DY8 Cat A core activities & DY8 Cat D
- April 20: Achieve DY8 Cat B & DY8 outcomes
- April 20: Achieve DY8 Cat B & DY8 outcomes
- April 20: Achieve DY8 Cat B & DY8 outcomes
- April 20: Achieve DY8 Cat B & DY8 outcomes

**DY 10**
- Final chance to report on remaining eligible milestones

**Legend:**
- **Policy**
- **Operational**
- **Reporting**
- **Payments**
- **CF**
Preparing for DY 7 and 8

May 17: HHSC assigns points to performing providers

May/June 17: HHSC seeks input on revised PFM and Measure Bundle Protocols

July 17: HHSC submits Measure Bundle Protocol to CMS

Aug 17: Target CMS approval PFM and Measure Bundle Protocols

Obtain CMS approval for continuation!

Category C Baseline Measurement Period (CY 2017)

Identify, implement, manage core activities and data to achieve outcome bundles, including progress on alt. payment methods, collaborations, and calculations of cost/savings

Update Community Needs Assessment

RHP PLAN UPDATE
DUE Jan 31, 2018

* All subject to change
## RHP 6 “Minimum Point Thresholds”

<table>
<thead>
<tr>
<th>Point Range</th>
<th>Providers</th>
</tr>
</thead>
<tbody>
<tr>
<td>2-9</td>
<td>Frio Hospital, Hill Country Memorial Hospital, Clarity Child Guidance Center, Connally Community Med Center, SWG, Medina Healthcare System, Dimmit Memorial Hospital, Peterson Memorial Hospital, DSHS/TCID</td>
</tr>
<tr>
<td>10-18</td>
<td>Uvalde Memorial Hospital, Guadalupe Reg Med Center, Val Verde Reg Med Center, University Medicine Associates, Camino Real Community Services*</td>
</tr>
<tr>
<td>25-35</td>
<td>Nix Health, CHOSA/CHRISTUS Health, Baptist Health System, Methodist Healthcare System, Hill Country MHDD*</td>
</tr>
<tr>
<td>38-40</td>
<td>Bluebonnet Trails Community Services*, San Antonio Metro Health Department, The Center for Health Care Services</td>
</tr>
<tr>
<td>75</td>
<td>UT Health San Antonio*, University Health System</td>
</tr>
</tbody>
</table>

* Also has DY 1-6 projects outside of RHP6
### Outcome Measure Bundles

<table>
<thead>
<tr>
<th>Bundle Advisory Team</th>
<th>Hospital Measure Bundles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chronic Disease</td>
<td>Disease Management: Diabetes Care</td>
</tr>
<tr>
<td></td>
<td>Disease Management: Heart Disease</td>
</tr>
<tr>
<td>Care Transitions &amp; ED Diversion</td>
<td>Care Transitions &amp; Hospital Readmissions</td>
</tr>
<tr>
<td></td>
<td>Patient Navigation &amp; ED Diversion</td>
</tr>
<tr>
<td>Primary Care and Prevention</td>
<td>Primary Care Prevention</td>
</tr>
<tr>
<td></td>
<td>Cancer Screening &amp; Follow Up</td>
</tr>
<tr>
<td></td>
<td>Hepatitis C</td>
</tr>
<tr>
<td>Pediatric</td>
<td>Pediatric Primary Care</td>
</tr>
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<td></td>
<td>Pediatric Access to Specialty Care</td>
</tr>
<tr>
<td></td>
<td>Pediatric Hospital Safety</td>
</tr>
<tr>
<td></td>
<td>Disease Management: Asthma</td>
</tr>
<tr>
<td></td>
<td>Disease Management: Diabetes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Bundle Advisory Team</th>
<th>Hospital Measure Bundles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maternal Care</td>
<td>Improved Maternal Care</td>
</tr>
<tr>
<td>Dental</td>
<td>Improved Access to Adult Dental Care</td>
</tr>
<tr>
<td></td>
<td>Preventive Pediatric Dental</td>
</tr>
<tr>
<td>Palliative Care</td>
<td>Palliative Care</td>
</tr>
<tr>
<td>Behavioral Health and Chronic Pain Management</td>
<td>Integration of Behavioral Health in a Primary Care Setting</td>
</tr>
<tr>
<td></td>
<td>Behavioral Health and Appropriate Utilization</td>
</tr>
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<td></td>
<td>Chronic Non-Malignant Pain Management</td>
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<tr>
<td>Specialty Care</td>
<td>Access to Specialty Care</td>
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<tr>
<td>Hospital Safety</td>
<td>Hospital Safety</td>
</tr>
<tr>
<td>Rural Hospitals</td>
<td>Rural Hospital Care</td>
</tr>
</tbody>
</table>
How will providers adjust to the new DSRIP model?

Keep the trains running

“Zero-based Bundling”

Or both?

If providers select outcome measure bundles that do not align with a current DSRIP project, that doesn’t mean the project must end.
Selecting Outcome Measure Bundles

• To what extent...
  – are data available to produce a baseline on a Calendar Year 2017 measurement period?
  – is the size of the MLIU denominator population manageable?
  – does the provider have room to improve?
  – is the provider likely to achieve the target?
  – is this set of bundles aligned with other quality programs or strategic priorities of the provider?
  – is this set of bundles aligned with quality programs or strategic priorities of Medicaid managed care organizations?
Challenges / Lessons Learned

- Data, Data, Data
- Financial
  - state match & cash flow considerations
- Workforce – recruitment & turnover
- Organizational constraints and attributes
- Collaboration and alignment
  - Providers, payers, community partners, other quality programs
Will CMS approve the continuation of the extension as proposed?

• New administration
• ACA / AHCA?
  – Medicaid Block Grants / Per Capita Caps?
• How much money?
  – Budget neutrality calculations
• General expectations / requirements
  – Value based purchasing?
  – Integration with managed care?
  – Long term outlook – programs and financing
Are you prepared to Go Beyond?

• Learn from Waiver 1.0
  – Be proactive
  – Know your data
  – Collaborate early and often
  – Be flexible and plan for sustainability

• Join us!
  – Learning Collaborative Summit on September 21
  – Carol.Huber@uhs-sa.com