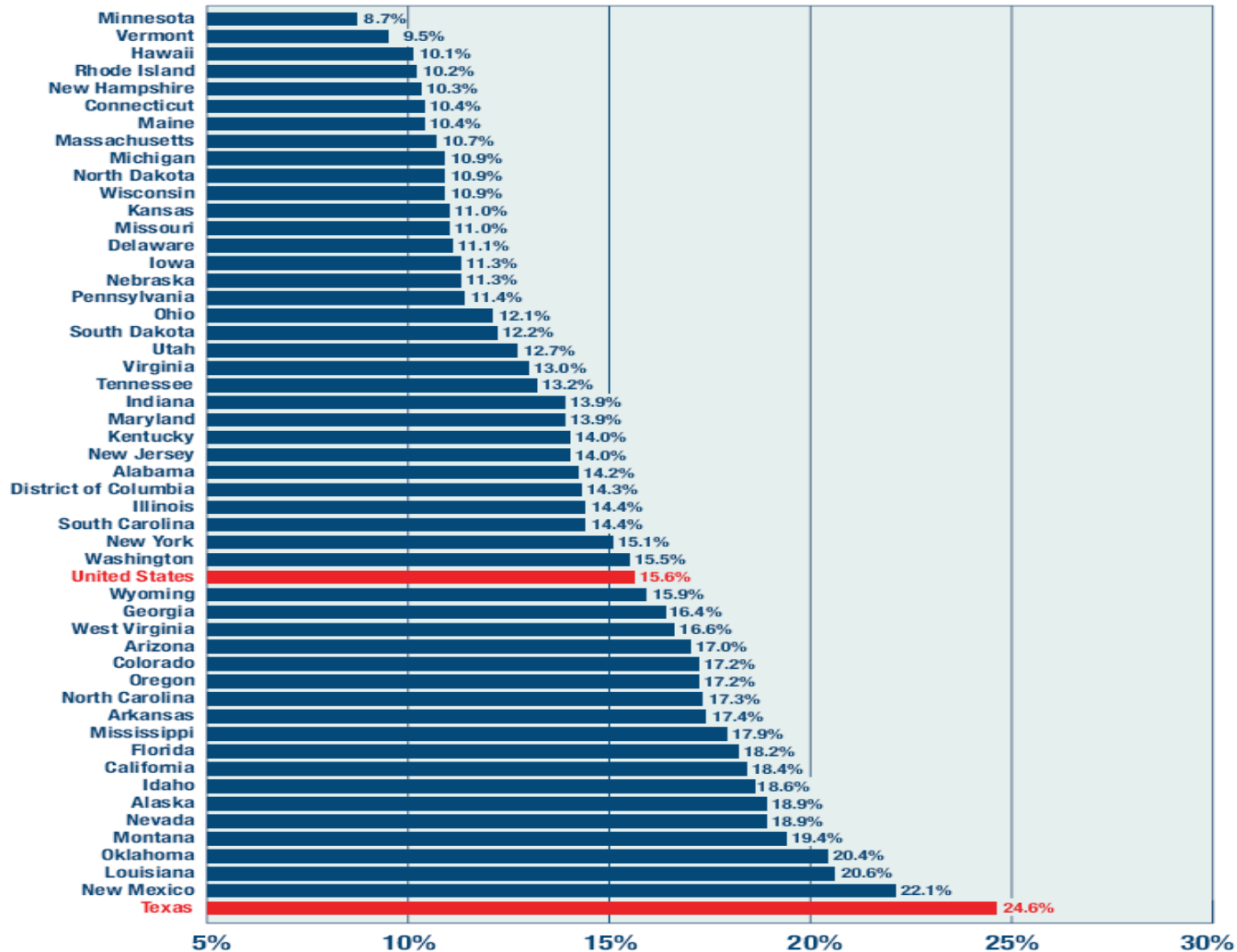


HEALTHCARE LANDSCAPE 2018

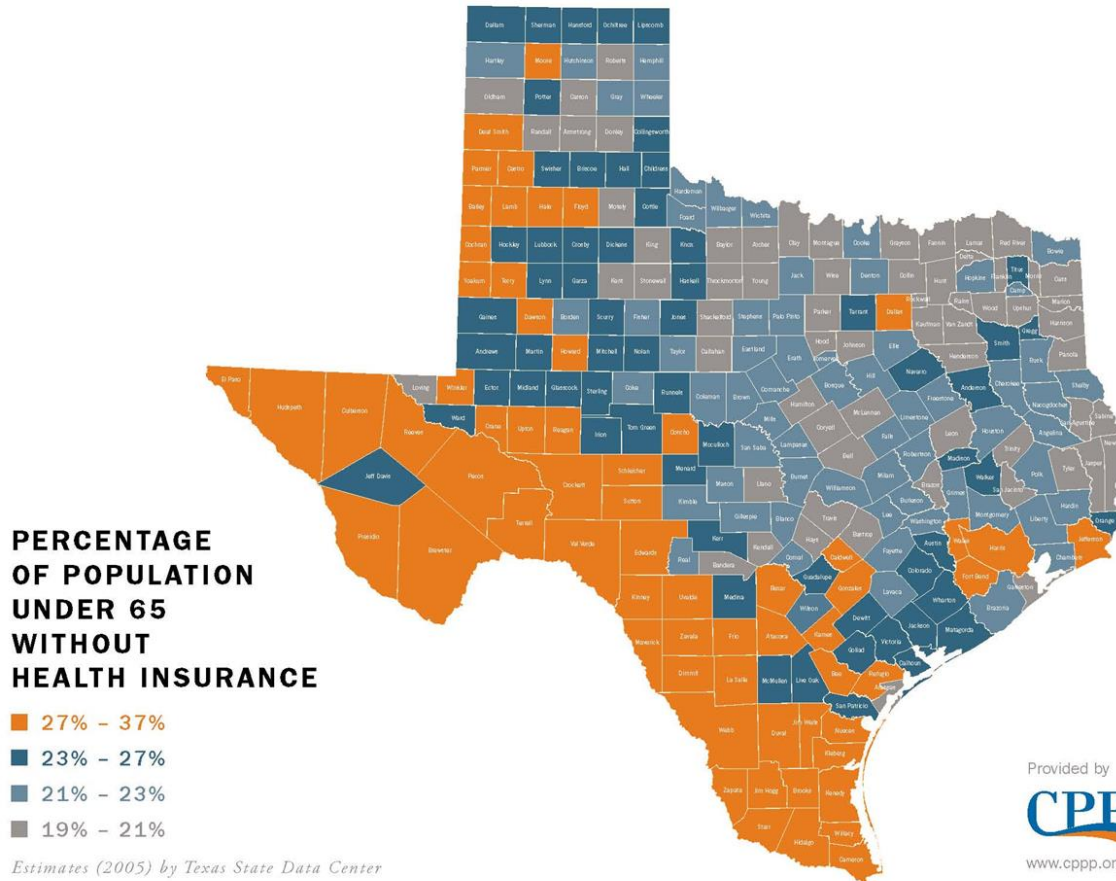
Uniform Hospital Rate Increase Program

George Hernandez
President/CEO
University Health System

National View: Texas Ranks 1st in Uninsured



Texas County View



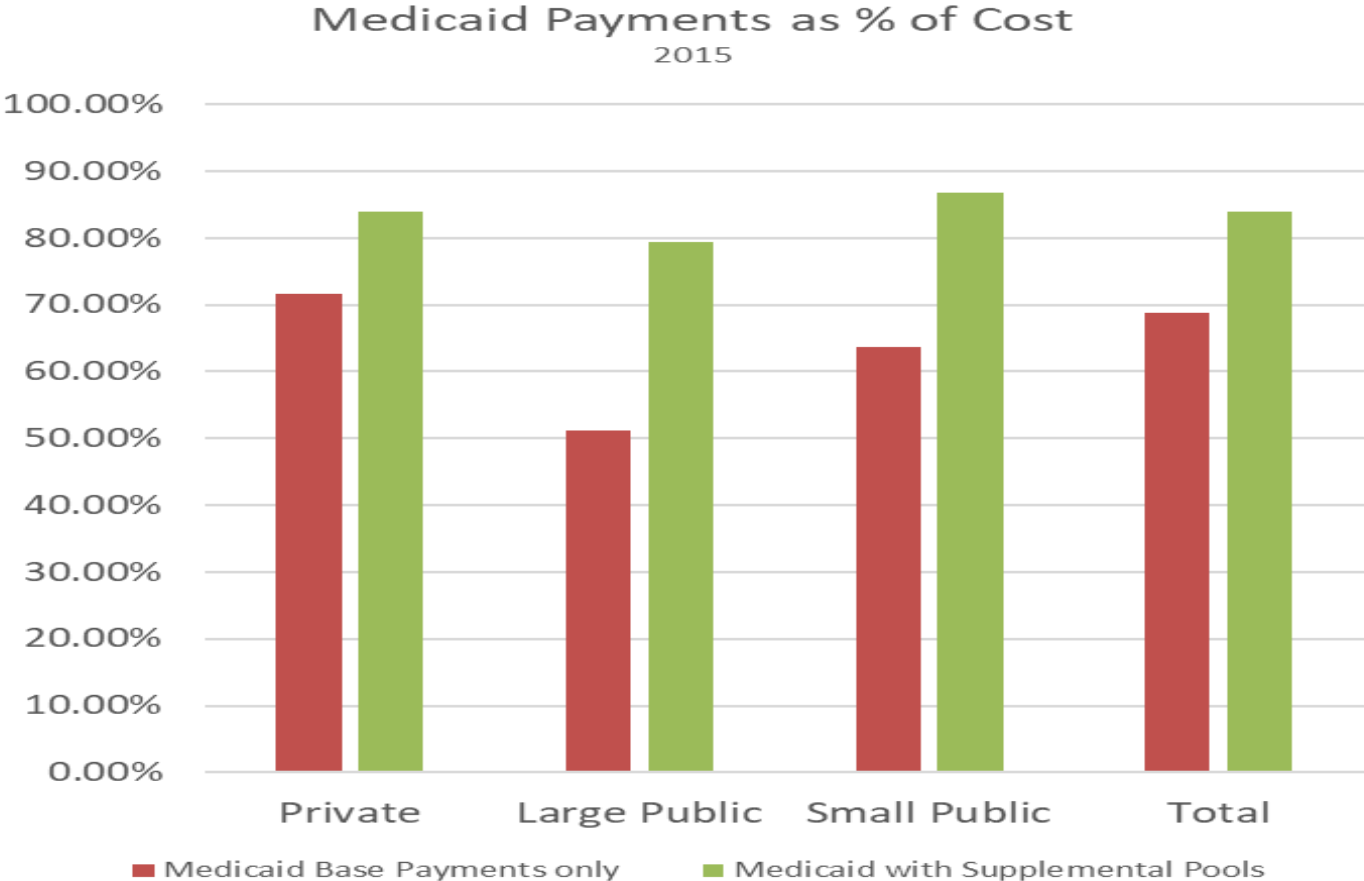
Current State

Texas at 21 Percent of FPL

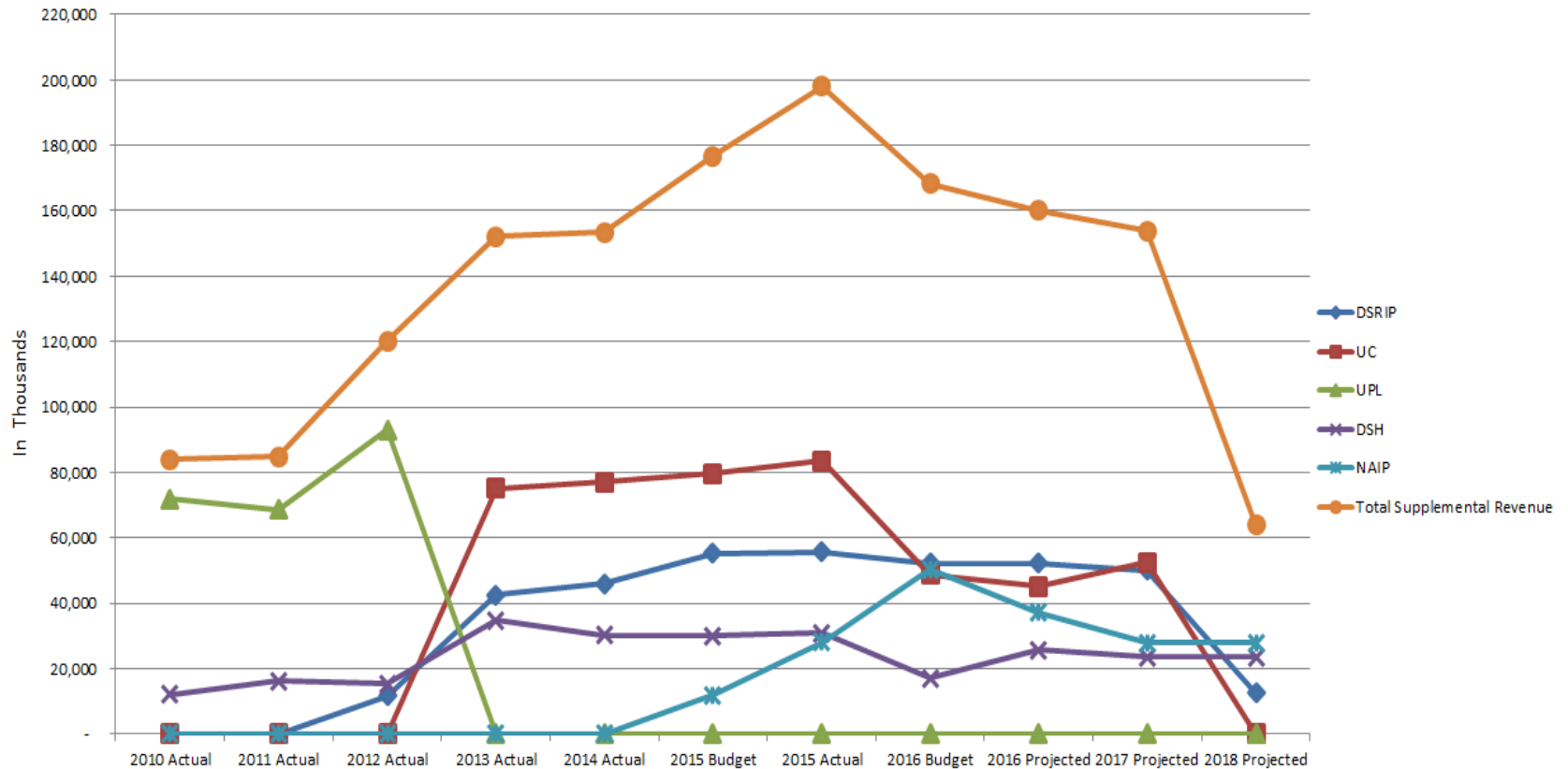
Texas County Indigent Health Care Program (2016)

Persons In the Household	Monthly Income	Annual Income	Annual Work Hours @ \$7.25	Maximum Hours Per Week	Percent of Work to Disqualify
1	\$208	\$2496	345	6.6	17%
2	\$280	\$3360	464	8.9	23%
3	\$353	\$4236	585	11.25	28%
4	\$425	\$5100	704	13.5	34%

Medicaid Shortfall



Supplemental Funding Challenges



UHRIP Overview

What is the Uniform Hospital Rate Increase Program (UHRIP)?

Under UHRIP, HHSC will increase its capitation payments to MCOs to account for the rate increase, which will be financed by IGTs from local governmental entities, similar to UC and DSRIP payments.

Hospital Impact –

UHRIP payments are accretive to each hospital's current Medicaid managed care reimbursement.

Factors that Determine a Hospital's Rate Increase

- **Service Delivery Area**
- **Hospital Class**
- **Network Status**
- **Statewide Allocation to the Program**
- **Funding Allocation to the SDA**

TEXAS Managed Care Service Areas

STAR Health (statewide) - Superior
Dental (statewide) - DentaQuest, MCNA

LUBBOCK

STAR - Amerigroup, FirstCare, Superior
STAR+PLUS - Amerigroup, Superior
STAR Kids - Amerigroup, Superior
CHIP - FirstCare, Superior

MRSA WEST

STAR - Amerigroup, FirstCare, Superior
STAR+PLUS - Amerigroup, Superior
STAR Kids - Amerigroup, Superior
CHIP - Molina, Superior

EL PASO

STAR - El Paso First, Molina, Superior
STAR+PLUS - Amerigroup, Molina
STAR Kids - Amerigroup, Superior
CHIP - El Paso First, Superior

TRAVIS

STAR - Blue Cross and Blue Shield, Dell Children's, Sendero, Superior
STAR+PLUS - Amerigroup, United
STAR Kids - Blue Cross and Blue Shield of Texas, Superior
CHIP - Blue Cross and Blue Shield of Texas, Dell Children's, Sendero, Superior

BEXAR

STAR - Aetna, Amerigroup, Community First, Superior
STAR+PLUS - Amerigroup, Molina, Superior
STAR Kids - Community First, Superior
CHIP - Aetna, Amerigroup, Community First, Superior

HIDALGO

STAR - Driscoll, Molina, Superior, United
STAR+PLUS - Cigna-HealthSpring, Molina, Superior
STAR Kids - Driscoll, Superior, United
CHIP - Molina, Superior

TARRANT

STAR - Aetna, Amerigroup, Cook Children's
STAR+PLUS - Amerigroup, Cigna-HealthSpring
STAR Kids - Aetna, Cook Children's
CHIP - Aetna, Amerigroup, Cook Children's

DALLAS

STAR - Amerigroup, Molina, Parkland
STAR+PLUS - Molina, Superior
STAR Kids - Amerigroup, Children's Medical Center
CHIP - Amerigroup, Molina, Parkland

MRSA NORTHEAST

STAR - Amerigroup, Superior
STAR+PLUS - Cigna-HealthSpring, United
STAR Kids - Texas Children's, United
CHIP - Molina, Superior

MRSA CENTRAL

STAR - Amerigroup, Scott and White, Superior
STAR+PLUS - Superior, United
STAR Kids - Blue Cross and Blue Shield of Texas, United
CHIP - Molina, Superior

JEFFERSON

STAR - Amerigroup, Community Health Choice, Molina, Texas Children's, United
STAR+PLUS - Amerigroup, Molina, United
STAR Kids - Texas Children's, United
CHIP - Amerigroup, Community Health Choice, Molina, Texas Children's, United

HARRIS

STAR - Amerigroup, Community Health Choice, Molina, Texas Children's, United
STAR+PLUS - Amerigroup, Molina, United
STAR Kids - Amerigroup, Texas Children's, United
CHIP - Amerigroup, Community Health Choice, Molina, Texas Children's, United

NUECES

STAR - Christus, Driscoll, Superior
STAR+PLUS - Superior, United
STAR Kids - Driscoll, Superior
CHIP - Christus, Driscoll, Superior

MMP (6 counties below):
Bexar - Amerigroup, Molina, Superior
Dallas - Molina, Superior
El Paso - Amerigroup, Molina
Harris - Amerigroup, Molina, United
Hidalgo - HealthSpring, Molina, Superior
Tarrant - Amerigroup

MSRA: Medicaid Rural Service Area
MMP: Medicare - Medicaid Plan



Map Prepared by: Texas Health and Human Services Commission.
Center for Analytics and Decision Support. MRL.
September 27, 2017

UHRIP Hospital Class

Hospital Class – Consistent with CMS’ requirements, all hospitals within each class will receive a uniform rate increase percentage within a participating SDA. Each class may have a different rate increase percentage, but the percentage may not vary within a class. Below are the current classes set forth in HHSC’s state rules:

- **Urban Public Hospital**
- **Non-Urban Public Hospital**
- **Rural Public Hospital**
- **Rural Private Hospital**
- **Children’s Hospital**
- **State-Owned Hospital**
- **Institution for Mental Disease**
- **Other**

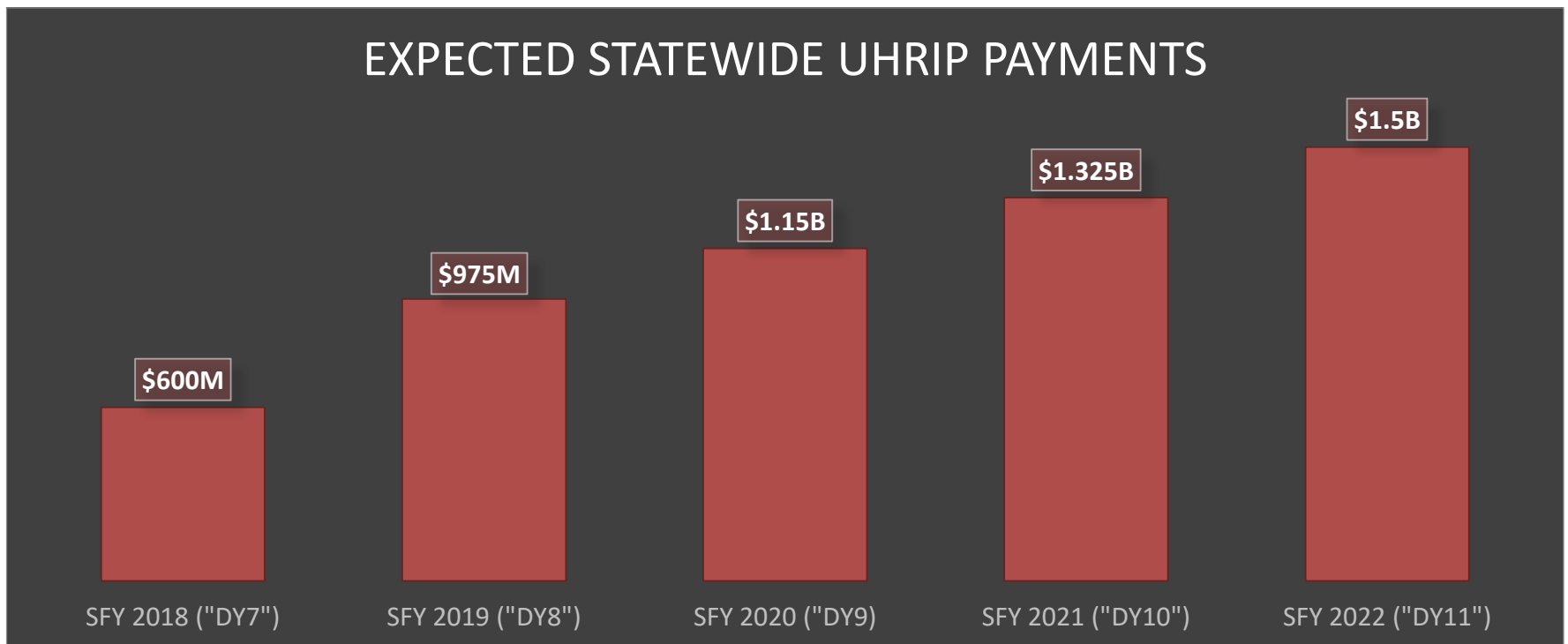
UHRIP participation addresses the Medicaid shortfall in a class. In many SDAs, this is why the Children’s Hospital class does not currently receive a rate increase.

MCO Provider Agreements

(Star & Star Plus Products)

- **Network Status**– Only in-network hospitals are eligible to receive a rate increase.
- **Statewide Allocation**– HHSC allocated funding to UHRIP based on the funding available under its CMS-approved Budget Neutrality limitations.
- **Allocation to the SDA**– HHSC allocates the statewide UHRIP funding to each SDA pro rata based on the SDA's aggregate Medicaid shortfall for all eligible UHRIP hospitals in the SDA.
- **Class Rate Increase Percentage**– Dependent on the SDA allocation

Currently Allocated UHRIP Funding by Year



QUESTIONS?