

# TEXAS WAIVER 2.0

---

# Managed Care Hospital Transition 1115 waiver

## BUDGET NEUTRALITY SUMMARY: March 2017 Update with 5 year renewal

WITH WAIVER SUMMARY	DY 07 (FFY 18)	DY 08 (FFY 19)	DY 09 (FFY 20)	DY 10 (FFY 21)	DY 10 (FFY 22)
Aged and Medicare Related	\$ 4,649,505,226	\$ 4,992,547,141	\$ 5,354,102,518	\$ 5,741,999,955	\$ 6,137,208,776
Blind and Disabled	\$ 8,132,085,779	\$ 8,679,909,700	\$ 9,264,908,726	\$ 9,889,630,402	\$ 10,513,724,885
Adults	\$ 2,079,957,518	\$ 2,194,552,624	\$ 2,317,472,863	\$ 2,448,888,697	\$ 2,584,133,143
Children	\$ 8,053,882,798	\$ 8,524,424,217	\$ 9,022,799,233	\$ 9,550,515,368	\$ 10,073,874,091
Other UPL Programs (Not Included in Population)	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Non-Pool Expenditures</b>	<b>\$ 22,915,431,321</b>	<b>\$ 24,391,433,683</b>	<b>\$ 25,959,283,340</b>	<b>\$ 27,631,034,421</b>	<b>\$ 29,308,940,895</b>

**Managed Care Hospital Transition 1115 waiver  
BUDGET NEUTRALITY SUMMARY: March 2017 Update with 5 year renewal**

	DEMONSTRATION YEARS (DY)				
	DY 07 (FFY 18)	DY 08 (FFY 19)	DY 09 (FFY 20)	DY 10 (FFY 21)	DY 11 (FFY 22)
<b>Waiver Pool</b>	<b>DY 7</b>	<b>DY 8</b>	<b>DY 9</b>	<b>DY 10</b>	<b>DY 11</b>
Uncompensated Care Pool Payments	\$ 3,101,776,278	\$ 3,101,776,278	\$ 2,334,323,270	\$ 2,334,323,270	\$ 2,334,323,270
DSRIP	\$ 3,100,000,000	\$ 3,100,000,000	\$ 2,910,000,000	\$ 2,490,000,000	\$ -
<b>Network Access Improvement Project</b>					
NAIP Expenditures	\$ 426,149,909	\$ 426,149,909	\$ 426,149,909	\$ 426,149,909	\$ 426,149,909
Nursing Facility Directed Payments	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Delivery System &amp; Provider Payment Initiatives</b>					
<b>Quality Incentive Payment Program (QIPP)</b>	\$ 400,000,000	\$ 550,000,000	\$ 500,000,000	\$ 550,000,000	\$ 600,000,000
<b>Uniform Hospital Rate Increase Program (UHRIP)</b>	\$ 600,000,000	\$ 1,250,000,000	\$ 1,150,000,000	\$ 1,325,000,000	\$ 1,500,000,000
<b>Expenditures (Over)/Under Cap w/Savings Rollover</b>	<b>\$ 2,392,650,999</b>	<b>\$ 1,830,173,399</b>	<b>\$ 2,822,191,049</b>	<b>\$ 3,031,763,747</b>	<b>\$ 5,351,971,256</b>

*Budget neutrality figures are estimated and subject to change as history and projections are updated.  
Projections for NAIP, QIPP, UHRIP are estimated and evaluated annually as each year comes due.  
Uncompensated Care Pool figures for DY09-11 are not yet final.*

# UC 2.0

- **RULE DEVELOPMENT SCHEDULE:**
  - May 2018 Present to Hospital Payment Advisory Committee
  - May 2018 Present to the Medical Care Advisory Committee
  - May 2018 Present to HHSC Executive Council
  - July 2018 Publish proposed rules in Texas Register
  - January 2019 Publish adopted rules in Texas Register
  - February 2019 Effective date
- Starting October 1, 2019 (DY 9), payments from this pool may only reimburse providers for their actual uncompensated cost of medical services that are provided to individuals as charity care. Charity care includes full or partial discounts provided to patients who meet the provider's charity-care policy and that adhere to the charity-care principles of the Healthcare Financial Management Association
- [Official Posting: Waiver Payments to Providers for Uncompensated Charity Care](#)

# DSRIP Timeline

- April 30, 2018 – Plan Submission to HHSC.
- Providers were also able to report achievement of any DY6 carryforward metrics during the regular April 2018 reporting period.
- May 31, 2018 - HHSC reviews and may request additional information.
- June 15, 2018 – RHPs respond to requests for additional information.
- June 30, 2018 - HHSC approves RHP Plans.
- July 2018 - Providers receive 20% of DY7 valuation.
- July – August 2018 – Submit Category C Baselines.

# STATE OF REFORM

---

# DSRIP

---

# DSRIP Quality Measures and Bundles

- Documentation of Current Medications in the Medical Record
- Comprehensive Diabetes Care: Hemoglobin A1c (HbA1c) Poor Control (>9.0%)
- Cervical Cancer Screening
- Colorectal Cancer Screening
- Controlling High Blood Pressure
- Medication Reconciliation Post-Discharge



# MANAGED CARE

---

# Star Bonus Measures

Source	Measure	Description
3M	Potentially Preventable Emergency Room Visits (PPVs)	Hospital emergency room or freestanding emergency medical care facility treatment provided for a condition that could be provided in a nonemergency setting
HEDIS	Appropriate Treatment for Children with Upper Respiratory Infection (URI)	Percentage of children 3 months - 18 years of age who were diagnosed with upper respiratory infection and were not dispensed an antibiotic prescription on or three days after the episode
HEDIS	Prenatal and Postpartum Care (PPC)	<ul style="list-style-type: none"><li>• Timeliness of Prenatal Care: the percentage of deliveries that received a prenatal care visit as a member of the organization in the first trimester or within 42 days of enrollment in the organization</li><li>• Postpartum Care: the percentage of deliveries that had a postpartum visit on or between 21 and 56 days after delivery</li></ul>
HEDIS	Well Child Visits in the First 15 months of Life (W15)	Percentage of members who turned 15 months old during the Measurement Year and who had six or more well-child visits with a PCP during their first 15 months of life

# Star Bonus Measures

Source	Measure	Description
3M	Potentially Preventable Emergency Room Visits (PPVs)	Hospital emergency room or freestanding emergency medical care facility treatment provided for a condition that could be provided in a nonemergency setting
HEDIS	Appropriate Treatment for Children with Upper Respiratory Infection (URI)	Percentage of children 3 months - 18 years of age who were diagnosed with upper respiratory infection and were not dispensed an antibiotic prescription on or three days after the episode
HEDIS	Prenatal and Postpartum Care (PPC)	<ul style="list-style-type: none"><li>• Timeliness of Prenatal Care: the percentage of deliveries that received a prenatal care visit as a member of the organization in the first trimester or within 42 days of enrollment in the organization</li><li>• Postpartum Care: the percentage of deliveries that had a postpartum visit on or between 21 and 56 days after delivery</li></ul>
HEDIS	Well Child Visits in the First 15 months of Life (W15)	Percentage of members who turned 15 months old during the Measurement Year and who had six or more well-child visits with a PCP during their first 15 months of life

# Star Bonus Pool Measure

Source	Measure	Description
3M	Potentially Preventable Admissions (PPAs)	Hospital admission that may have been prevented with access to ambulatory care or health care coordination.
CMS	Low Birth Weight	Percentage of live births that weighed less than 2,500 grams (5.51 pounds)
CAHPS	Children with Good Access to Urgent Care	Percent of caregivers who, when surveyed, responded their child always got urgent care for illness, injury or condition as soon as needed
CAHPS	Adults Rating their MCO a 9 or 10	Percent of adult members who rated their MCO a 9 or 10 (on a scale of 0-10) when surveyed

# STAR+PLUS Program Measures

Source	Measure	Description
3M	Potentially Preventable Emergency Room Visits (PPVs)	Hospital emergency room or freestanding emergency medical care facility treatment provided for a condition that could be provided in a nonemergency setting
HEDIS	Diabetes Control - HbA1c < 8% (CDC)	The percentage of members 18-75 years of age with diabetes (type 1 and type 2) who had HbA1c control (<8.0%).
HEDIS	High Blood Pressure Controlled (CBP)	The percentage of members 18-85 years of age who had a diagnosis of hypertension and whose blood pressure was adequately controlled (<140/90).
HEDIS	Diabetes Screening for People with Schizophrenia or Bipolar Disorder who are Using Antipsychotics (SSD)	Percentage of members 18 to 64 years of age with schizophrenia or bipolar disorder who were dispensed an antipsychotic medication and had a diabetes screening test.
HEDIS	Cervical Cancer Screening (CCS)	Percentage of women 21 to 64 years of age who were screened for cervical cancer.

# STAR+PLUS Bonus Pool Measures

Source	Measure	Description
3M	Potentially Preventable Readmissions (PPRs)	Return hospitalizations resulting from care or treatment deficiencies provided during a previous hospital stay or from post-hospital discharge follow-up.
3M	Potentially Preventable Complications (PPCs)	Hospital-based harmful events (e.g., accidental laceration during a procedure) or negative outcomes (e.g., hospital acquired pneumonia) that may result from the process of care and treatment rather than from a natural progression of underlying disease.
AHRQ	Prevention Quality Indicator (PQI) Composite	Number of admissions per 100,000 member months ages 18 and older for one of the following conditions: diabetes with short-term complications, diabetes with long-term complications, uncontrolled diabetes without complications, diabetes with lower-extremity amputation, chronic obstructive pulmonary disease, asthma, hypertension, heart failure, angina without a cardiac procedure, dehydration, bacterial pneumonia, or urinary tract infection
CAHPS	Adults with Good Access to Urgent Care	Percent of adults who, when surveyed, responded they always got urgent care for illness, injury or condition as soon as needed
CAHPS	Adults Rating their MCO a 9 or 10	Percent of adult members who rated their MCO a 9 or 10 (on a scale of 0-10) when surveyed

# Transition Plan

- HHSC must also submit a DSRIP Transition Plan to CMS by 10/1/19.
- The Transition Plan will include Texas' planned milestones for making progress toward Value-Based Purchasing (VBP) and other initiatives when DSRIP ends.
- For example, a milestone could relate to VBP contractual targets for Medicaid MCOs in 2020-2021, or to other pay-for-quality efforts in Medicaid Managed Care.

\*Attribution\*

# DY 9 and 10

- In June 2018, CMS and Texas Medicaid will meet and discuss the DSRIP transition.
- In late 2018, HHSC will begin working with stakeholders to:
  - Determine how the reduced funding pools for DY9-10 will be distributed
  - Refresh the menu of Measure Bundles and measures for DY9-10

\*Attribution\*

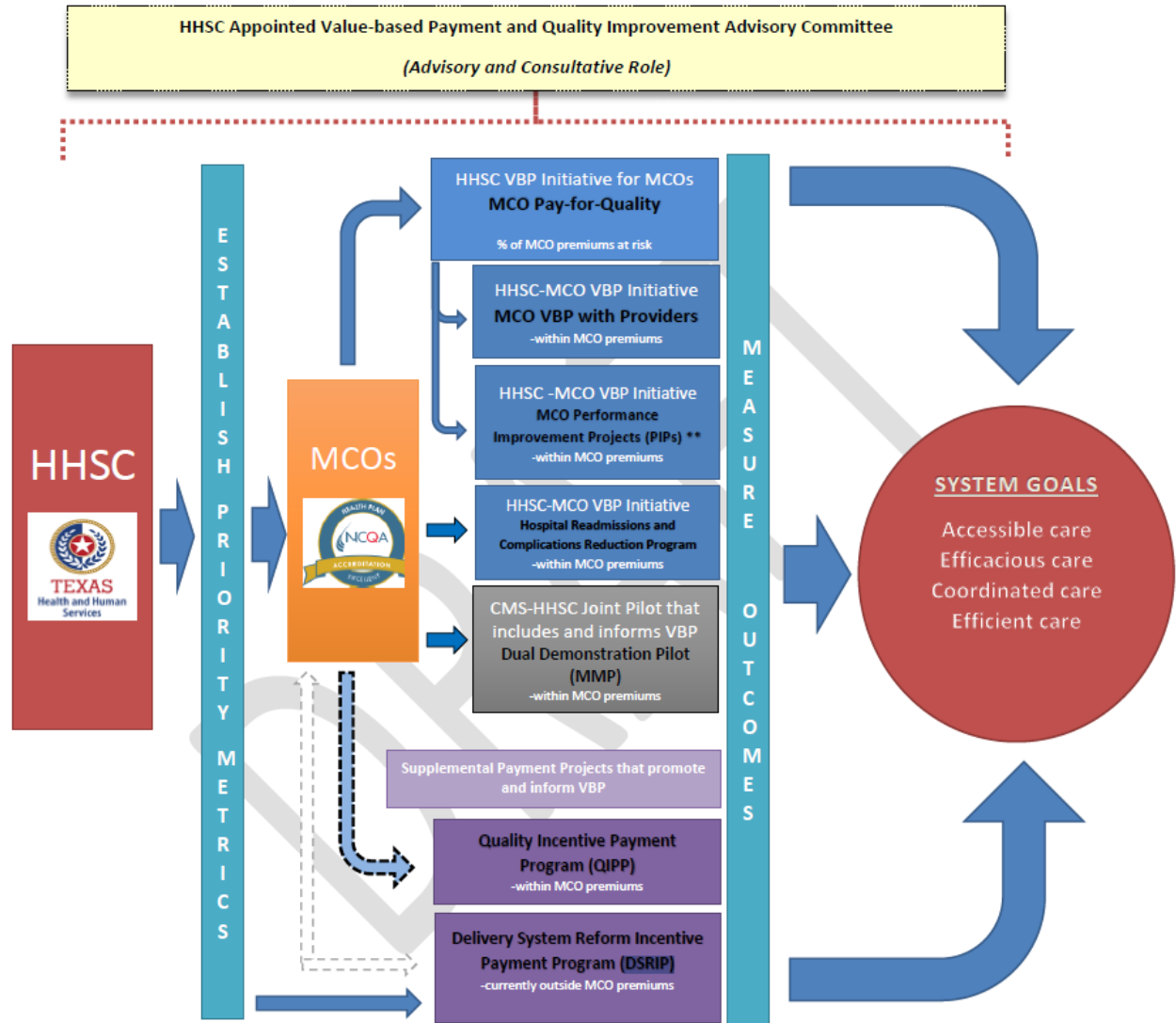


# DSRIP Value Evaluations

- Next Steps:
- HHSC to maintain ongoing strategic engagement with DSRIP providers and MCOs
- HHSC to continue to facilitate collaboration between DSRIP projects and MCOs with the goal of MCOs partnering with the DSRIP providers on VBP payment models
- Continued measurement of indicators of progress based on priority metrics (DSRIP provider level, Regional Healthcare Partnership (RHP) level, Population level, State Level)

# Value Road Map

Figure 1: HHSC Initiatives Focused on Improving Access, Quality and Efficiency



Note: To the extent possible, all VBP approaches will focus on and measure priority measures. This concentrates and magnifies efforts and their effect

# Pursuit of Promising Models to Advance VBP in Texas

- **Delivery System Reform Incentive Payment Program (DSRIP) as a Key Incubator for VBP**
- **Uniform Hospital Rate Increase Program (URHIP):**
  - **Accountable Health Communities (AHC)**
  - **Certified Community Behavioral Health Clinics (CCBHC)**
  - **Accountable Care Organizations (ACO)**
- **VBP to Support Interventions for Populations with Complex Needs and High Cost (i.e., "Superutilizers" )**

# QUESTIONS

---