



Texas Healthcare Transformation and Quality Program Medicaid 1115 Waiver



Southeast Texas Regional Healthcare Planning
Texas Healthcare Transformation and Quality Improvement Program • Medicaid 1115 Waiver



**Harris County
Hospital District**

Where People Come First.



Healthcare Transformation Waiver

Statewide expansion of Medicaid managed care, while protecting federal supplemental hospital payment funds

Creation of Regional Healthcare Partnerships (RHPs)

Transition to quality-based payment systems for managed care and hospitals

Diversion of savings generated by the proposed changes into a pool to cover uncompensated care costs for hospitals and other providers





Healthcare Transformation 1115 Waiver

The waiver is a five year waiver categorized into two funding sources with a potential funding opportunity of \$29 Billion for the State of Texas:

- **Uncompensated Care Pool**

- Will defray the costs of care provided to individuals who have no third party coverage for the services provided by hospitals or other providers (beginning in first year)
- Tool in development for compensation – separate process of DSRIP

- **Delivery System Reform Incentive Payments (DSRIP)**

- Will support coordinated care and quality improvements through RHPs and incentive payments to transform hospital care delivery systems (beginning in later waiver years)
- Regional initiatives must align with State DSRIP menu



Healthcare Transformation 1115 Waiver

- CMS funding schedule for Uncompensated Care & DSRIP:
 - Year One funding = Administrative funding potential for establishing infrastructure to support the initiative (Pending HHSC feedback on how funds will be accessed)

Pool Funding Distribution in Billions

Pool Type	DY* 1 (2011-2012)	DY 2 (2012- 2013)	DY 3 (2013- 2014)	DY 4 (2014-2015)	DY 5 (2015-2016)	Totals
Total/DY	\$4.2	\$6.2	\$6.2	\$6.2	\$6.2	\$29
% UC	88%	63%	57%	54%	50%	60%
% DSRIP	12%	37%	43%	46%	50%	40%



Healthcare Transformation 1115 Waiver

- Texas Waiver 1115 is second to California
- The intent of the Waiver is to transform healthcare & expand Managed Medicaid
 - There is no “waiving of rights” for this initiative
- Funding is a blend of county/state dollars matched by federal funds through the process of Inter-governmental Transfers (IGT)
 - Waiver is planned to be budget neutral through the anticipation of cost containment from quality, efficiencies, & coordination of care along with the additional covered lives which will positively affect the cost curve through management of healthcare needs (ER utilization, etc.)
- The Waiver is not directly connected to the Affordable Care Act & has been approved for 5 years as the initial term
 - California was approved for a second 5-year waiver
- Waiver funds cannot supplant other funding
- Waiver funds (DSRIP) must be used to support service expansions



Intergovernmental Transfer (IGT)

- Local government funds & state agency funds can be transferred to HHSC to receive federal matching (public funds not private funds)
- Local government agencies can include (but are not limited to) Public Hospitals, Hospital Districts, County, City, or local Mental Health Authorities
- IGT entities control their own funding
- The funds cannot be:
 - Federal funds
 - Impermissible provider-related donations
- Provider-related donation is:
 - A voluntary donation from a non-governmentally operated healthcare provider (in cash or in kind)
 - Made from a healthcare provider or organization that is related to the healthcare provider
 - Made to a state agency or local government whether or not that agency or local government furnishes IGT
 - Directly or indirectly related to Medicaid payments or other provider payments

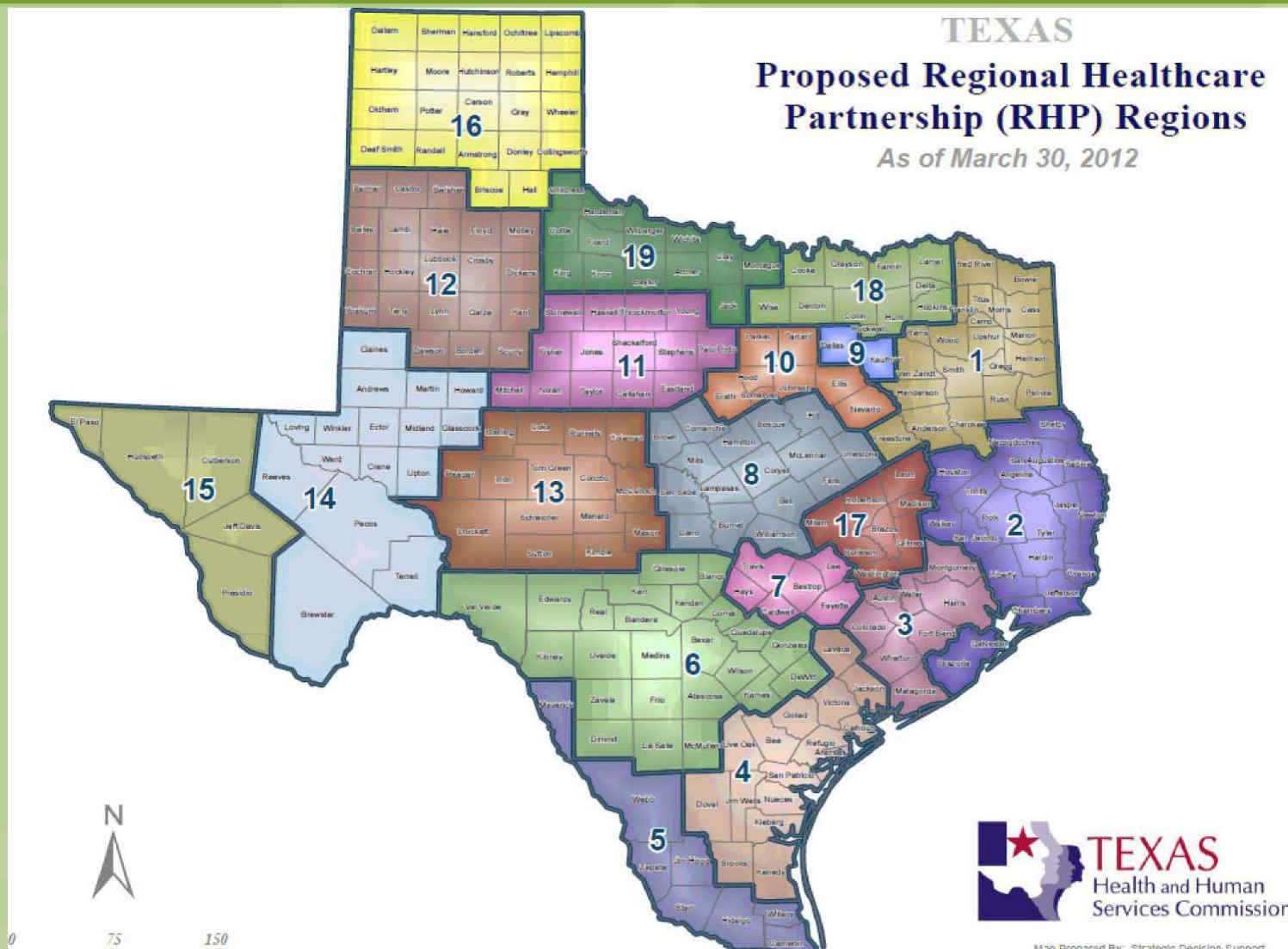


Regional Healthcare Partnerships

- Regional Healthcare Partnerships (RHP's) are being developed throughout the state in order to deliver care more effectively and efficiently by a variety of healthcare providers
- Our RPH Region #3 could consist of 12 counties (Austin, Brazoria, Calhoun, Chambers, Colorado, Fort Bend, Harris, Jackson, Liberty, Matagorda, Waller, & Wharton) and will be defined by patient flow & county need
 - Regions will be finalized by the state by May 1, 2012
- Waiver 1115 is voluntary, but counties seeking funding from this source must engage in a RHP to gain access
- As the largest public hospital, HCHD will serve as the “Anchor” facility and provide administrative support for collaboration of Region # 3
 - The Anchor does not control funds flow but serves as a main administrative point for the region



State Draft Regional Map



Map Prepared By: Strategic Decision Support



Delivery System Reform Incentive Payments (DSRIP)

- Uncompensated Care is a separate process being managed by HHSC – Tools in development
- DSRIP pool is based on the principals of CMS' overarching triple aim:
 - Improving the experience of care
 - Improving the health of populations
 - Containing costs
- State DSRIP project categories include:
 - I – Infrastructure Development
 - II – Program Innovation & Redesign
 - III – Quality Improvements
 - IV – Population-Based Improvements



Delivery System Reform Incentive Payments (DSRIP)

- One Regional Health Plan will be submitted per region to HHSC for approval by the State & CMS
 - Each County will have a “chapter” in the plan to ensure community needs are addressed
- DSRIP planning will occur in each county to identify the unique needs of the community
 - Harris county is underway & community outreach begins the first week of May (waiting for HHSC to finalize region map)
 - County providers, hospitals, associations, officials, activists, etc. will all be asked to participate in the DSRIP planning
 - Anchor will facilitate process of DSRIP planning
 - All county plans will be shared among the region & with outlying regions to ensure collaboration
- DSRIP participation is a 5 year plan but engagement does not require a 5 year commitment (progressive plan)



Delivery System Reform Incentive Payments (DSRIP)

- All DSRIP projects must align with state menus
 - Pending final DSRIP state menu – HCHD submitted public comments 4/23/12
- DSRIP projects will not be reimbursed based on cost
- A value system is under development by HHSC to assign to all projects - PENDING HHSC
 - Note: DSRIP funding will be retrospective to the accomplishment of milestones (Entity must initially fund project & seek CMS reimbursement after accomplished goals)
- HHSC will work with CMS to gain final approval of our Regional Health Plan
- The IGT entity will control the funds flow & how expenses are managed (internal, contracts, etc.)
- Templates & Regional Health Plan expectations are under development by HHSC
- All processes will be fully transparent with a focus to communication & accountability of the Anchor



Delivery System Reform Incentive Payments (DSRIP)

- Process will include: (full county engagement – subject to change based on county need)
 - **Step # 1: Brainstorming of concepts based on community needs**
 - Example: Expand access to behavioral health outpatient care
 - **Step # 2: Vetting of concepts & outlining actual tasks assigned to the initiative**
 - Example: Include behavioral health providers in established FQHC's, establish a community outreach program for awareness, expand provider base for community based providers, etc.
 - **Step # 3: Prioritization of concepts**
 - Online survey followed by a face to face review with the team
 - **Step # 4: Recommendations to stakeholders for comments**
 - County officials, Regional Advisory Council, IGT entities, Public, etc
 - **Step # 5: IGT entity meeting to establish funding potentials**
 - Cafeteria style menu for all involved
 - **Step # 6: Anchor partners with IGT entity to complete RHP summary**
 - **Step # 7: Final initiatives & funding plans reviewed**
 - County officials, Regional Advisory Council, IGT entities, Public, Harris County Hospital Board of Managers
 - **Step # 8: Submission to HHSC for review & feedback (due September 1, 2012)**
 - **Step # 9: CMS approval (due to CMS October 31, 2012)**



Region # 3 Progress

- **Uncompensated Care**
 - CFO engagement & development of template underway
- **Harris County DSRIP Workgroups underway**
 - Session # 1 (March) – Education / Concept Brainstorm
 - Session # 2 (April) – State menu review & cross map to region concepts
 - Session # 3 (May) – Region concept vetting
 - Survey completed in June to prioritize initiatives
 - Session # 4 (June) – Review prioritization & plan for Regional Advisory Council feedback
- **Regional Advisory Council**
 - Meets monthly to review progress
 - Will receive the workgroup prioritized list of all initiatives for final review



DSRIP Workgroup Update

Session # 2

Workgroup	# Attendees	# Organizations	Next Meeting Date
Access to Care	31	30	May 9, 2012
Disease Management/Chronic Conditions	28	26	May 14, 2012
Health Promotion/Disease Prevention	17	15	May 15, 2012
Hospital Utilization	18	18	May 14, 2012
Information Technology	21	20	May 14, 2012
Mental Health / Substance Abuse	51	49	May 15, 2012
Pediatrics	10	9	May 15, 2012
Women's Health / Birth Outcomes	17	16	May 15, 2012
Workforce	13	11	May 15, 2012

Meeting dates have been updated



Region # 3 Progress

- **County Outreach**

- Workgroups will begin in May for outlying counties (identify / prioritize initiatives)
- Advisory councils will be formed in outlying counties to ensure education & feedback
- Feedback from all workgroups will be shared among all counties in the region

- **IGT Entity Engagement**

- Meetings will be scheduled to include all IGT entities for initiative review & identification of funding potentials/partnerships

- **Southeast Texas Regional Healthcare Planning website**

- Point of communication & resource for all involved
- www.setexasrhp.com



DSRIP Workgroup Dates

Workgroup	Date	Time	Location
Access to Care	March 28, 2012 April 9, 2012 May 9, 2012	5:00 to 7:00 p.m.	Marriott Medical Center, 6580 Fannin, Houston TX
Disease Management/Chronic Conditions	March 20, 2012 April 17, 2012 May 14, 2012	3:00 to 4:45 p.m.	Health Museum – 1515 Herman, Houston, TX
Health Promotion/Prevention	March 19, 2012 April 16, 2012 May 15, 2012	5:00 to 6:45 p.m. 5:00 to 6:45 p.m. 3:00 to 4:45 p.m.	Health Museum – 1515 Herman, Houston, TX
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Timeline of Key Dates

Task	Responsibility	Due Date
DSRIP Project Menus for Categories 1,2,3,4 Due to RHPs	HHSC	4-1-2012
Feedback on DSRIP Menus due to HHSC	RHP	4-23-2012
Finalization of RHP regions due to HHSC (forms due)	RHP	4-24-2012
RHP Regions Finalized	HHSC	5-1-2012
DSRIP Payment Protocols Due to RHPs	HHSC	6-1-2012
HHSC shares DSRIP Menu with CMS	HHSC	6-1-2012
RHP Regions Due to CMS	HHSC	8-1-2012
Final Urban RHP DSRIP Plans Due to HHSC	Urban RHPs	9-1-2012
DSRIP Payment Protocols and Project Menus Due to CMS	HHSC	8-31-2012
Final Rural RHP DSRIP Plans Due to HHSC	Rural RHPs	9-1-2012
Final DSRIP Plans Due to CMS	HHSC	10-31-2012



What's Next?

- State to finalize Region # 3 (Early May 2012)
- State to finalize Uncompensated Care Template (TBD)
- Harris County Workgroups to complete initial draft of initiatives (July 1, 2012)
- Outer county workgroups to begin (May 2012)
- IGT entities to review & choose projects (July 2012)
- HCHD to complete DSRIP Plan documents & packet (ongoing)
- HCHD Board of Managers review & approval (ongoing)
- Submission to the State (September 1, 2012)



County Engagement

- Critical to the overall Regional Health Planning process
- Need:
 - Points of contact for county for DSRIP progress planning
 - Contacts for those who will be involved in DSRIP planning
 - Ideas for locations to host workgroups
 - Copies of existing community needs assessments
 - Dates/times that work best for the county DSRIP planning
 - Continuous constructive feedback of the process
- Contacts:
 - Amanda Simmons (Amanda_Simmons@hchd.tmc.edu – Cell 713-859-9683)
 - Beth Cloyd (Elizabeth_Cloyd@hchd.tmc.edu – Office 713-566-6793)

