

REGIONAL HEALTHCARE PARTNERSHIP, REGION 4

Medicaid 1115 Demonstration Waiver

**Presentation to the
Medicaid/CHIP Regional Advisory Committee
Corpus Christi Service Area
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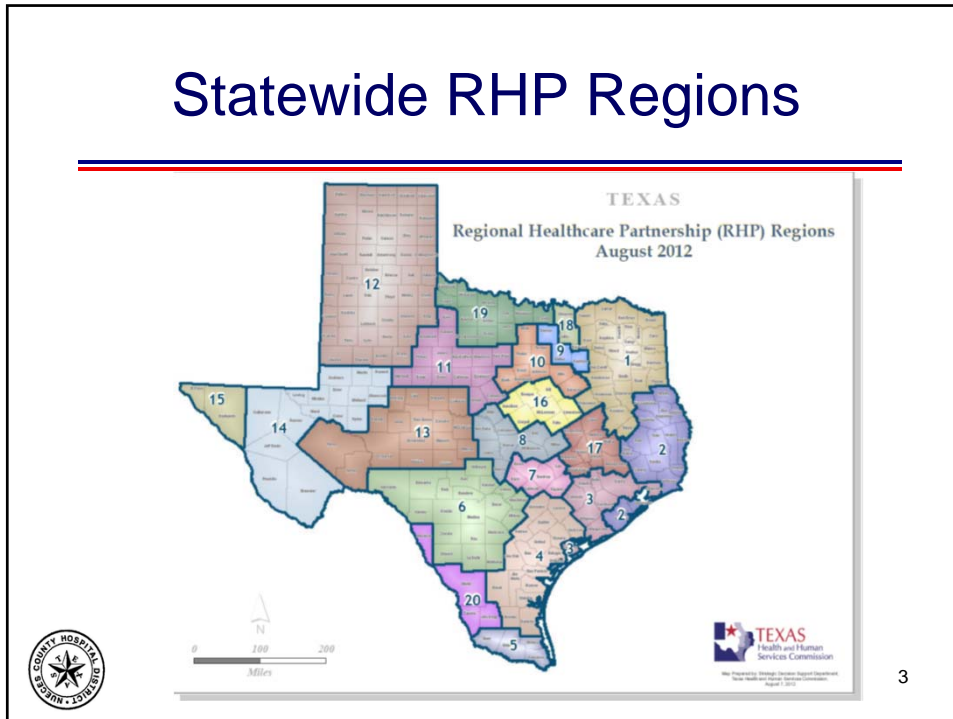
The Medicaid 1115 Waiver

Section 1 General Waiver Information




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Statewide RHP Regions



Performing Providers

- Hospitals
- Community Mental Health Centers
- Public Health Departments
- Academic Physician Groups



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Federal Demonstration Project

- **Social Security Act, Section 1115 (42 U.S.C. 1315):**
 - Approved in December 2011 by U.S. Department of Health & Human Services, Centers for Medicare & Medicaid Services.
 - Provides the Secretary of Health and Human Services broad authority to waive statutory and regulatory provisions of federal health and welfare programs, including Medicaid and SCHIP.
 - For experimental, pilot, or demonstration projects likely to assist in promoting program objectives.
 - Waivers required to be budget neutral for the federal government.



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Background & Purpose

1. **Statewide Medicaid Managed Care:**
 - Allows statewide expansion of Medicaid managed care services in Texas.
2. **Replaces Upper Payment Limit (UPL) Program for Hospitals:**
 - Uncompensated care (UC) pool for hospitals.
 - Delivery system reform incentive payment (DSRIP) pool for hospitals, mental health authorities, public health departments, and certain academic physician groups.
 - Texas has potential to receive up to \$29 billion over 5 years.
 - \$14 billion more than former UPL program.



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Payments to Providers

- **Two Waiver Provider Payment Pools**
 - **Uncompensated Care (UC):**
 - Reimburse *hospitals* for the cost of care for Medicaid and uninsured patients for which the hospitals do not receive payment (DY 1 – 5); up to \$17.6 billion.
 - **Delivery System Reform Incentive Payments (DSRIP)**
 - Payments to *hospitals, local mental health authorities, public health departments, and certain academic physician groups* upon their achieving certain goals intended to improve quality and lower the cost of care (DY 2 – 5), (DY 1 Planning funds only); up to \$11.4 billion.



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What is DSRIP?

- **DSRIP is an incentive program to transform delivery systems through infrastructure development and testing innovative care models.**
 - Improve care for individuals (including access, quality, and health outcomes)
 - Improve health for the population
 - Lower costs through efficiencies and improvements
- **DSRIP projects are funded at the Medicaid federal match rate with non-federal share of funds coming from a local or state public entity.**



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What is DSRIP? continued...

- **DSRIP funds must be earned based on achievement of project-specific metrics each year.**
 - Different than Medicaid fee-for-service or encounter-based payments
 - Projects earn funds by establishing project infrastructure, serving additional patients, showing improvements in outcomes, and continuous quality improvement



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DSRIP Project Categories

- **Category 1: Infrastructure Development**
 - Lays the foundation for the delivery system through investments in people, places, processes, and technology. Pay for performance.
- **Category 2: Program Innovation & Redesign**
 - Pilots, tests, and replicates innovative care models. Pay for performance.



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DSRIP Project Categories continued...

- **Category 3: Quality Improvements**
 - Disseminates up to four interventions in which major improvements can be achieved within four years. Pay for reporting, then performance.

- **Category 4: Population-based Improvements**
 - Requires all hospitals (only) to report on the same measures. Pay for reporting.



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DSRIP Timeline

- **Waiver Years 2 and 3 (October 2012 – September 2014) focused on start-up activities, including developing project infrastructure like:**
 - Project planning
 - Hiring and training of providers and other staff
 - Expansion of space, hours
- **Providers report twice a year (April and October) on project metrics and milestones completed to earn DSRIP payments.**
- **In April and October 2014, Providers started reporting their project's direct patient impact and established benchmarks for project outcomes.**



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Waiver Renewal

- **April 1, 2014 Waiver's mid-point.**
- **Waiver expires September 30, 2016.**
- **HHSC must submit a renewal request to the Centers for Medicare & Medicaid Services (CMS) no later than September 30, 2015, to extend the Waiver.**
- **HHSC to discuss renewal with key stakeholders and hold public meetings in 2014 and 2015 to solicit public input.**



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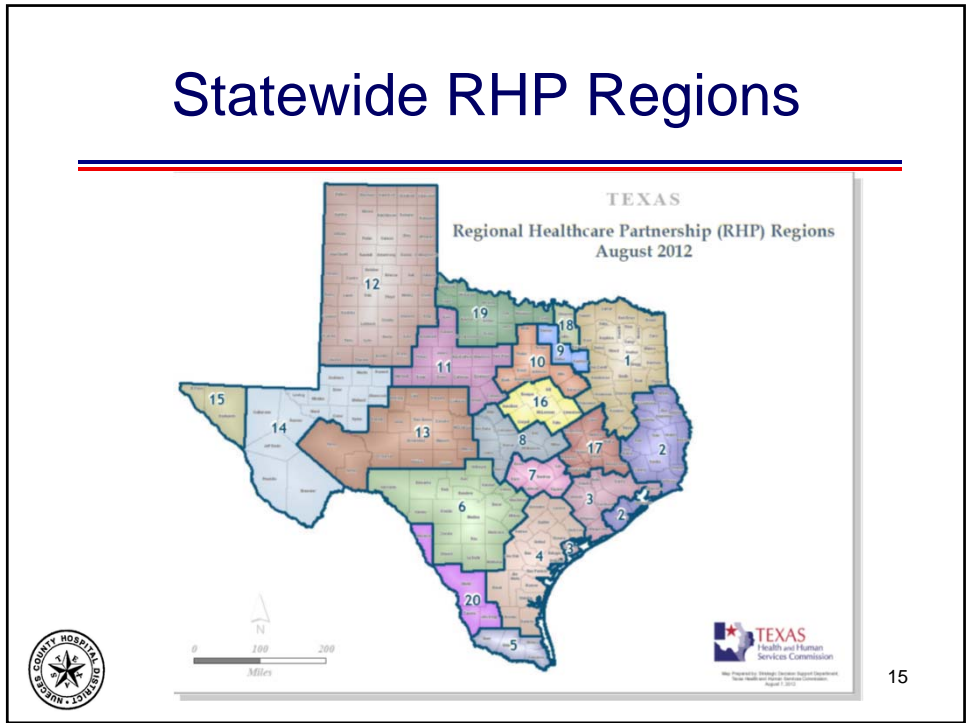
The Medicaid 1115 Waiver

Section 2 RHP Region 4 Waiver Information



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Statewide RHP Regions



Region 4 Counties

- Aransas
- Bee
- Brooks
- DeWitt
- Duval
- Goliad
- Gonzales
- Jackson
- Jim Wells
- Karnes
- Kenedy
- Kleberg
- Lavaca
- Live Oak
- Nueces
- Refugio
- San Patricio
- Victoria

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Common DSRIP Projects

- **The most common DSRIP project types in RHP 4:**
 - Expand access to primary and specialty care
 - Behavioral health interventions to prevent unnecessary use of services in certain settings (e.g., emergency department, jail)
 - Programs to help targeted patients navigate the healthcare system.



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Performing Providers

- **RHP 4 Healthcare Partnership Entities (20):**
 - **Hospitals (14)**
 - ✓ Safety Net Hospitals (3)
 - CHRISTUS Spohn Hospital – Corpus Christi
 - Corpus Christi Medical Center – Bay Area
 - Driscoll Children's Hospital
 - ✓ Critical Access Hospitals (4)
 - Jackson County Hospital District, Edna
 - Lavaca Medical Center, Hallettsville
 - Otto Kaiser Memorial Hospital, Kenedy
 - Refugio County Memorial Hospital District, Refugio



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Performing Providers continued...

- **RHP 4 Healthcare Partnership Entities (20):**

- **Hospitals (14) continued:**

- ✓ **Community Hospitals (7)**

- Christus Spohn Hospital – Alice
 - Christus Spohn Hospital – Beeville
 - Christus Spohn Hospital – Kleberg
 - Citizens Medical Center (Victoria)
 - DeTar Healthcare System (Victoria)
 - Gonzales Memorial Hospital
 - Yoakum Community Hospital



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Performing Providers continued...

- **RHP 4 Healthcare Partnership Entities (20):**

- **Mental Health Authorities (5)**

- Bluebonnet Trails Community Center, Round Rock
 - Camino Real Community Center, Lytle
 - Coastal Plains Community Center, Portland
 - Gulf Bend Community Center, Victoria
 - Nueces County Community Center, Corpus Christi

- **Public Health Department (1)**

- Corpus Christi-Nueces County Public Health District

- **Academic Physician Groups (0)**



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Provider DSRIP Project Counts

- **RHP 4 Healthcare Partnership Entities:**

- **Hospitals**

- ✓ **Safety Net Hospitals**

- CHRISTUS Spohn Hospital – Corpus Christi (40 projects)
 - Corpus Christi Medical Center – Bay Area (20 projects)
 - Driscoll Children’s Hospital (23 projects)

- ✓ **Critical Access Hospitals**

- Jackson County Hospital District, Edna (2 projects)
 - Lavaca Medical Center, Hallettsville (2 projects)
 - Otto Kaiser Memorial Hospital, Kenedy (2 projects)
 - Refugio County Memorial Hospital District, Refugio (2 projects)



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Provider DSRIP Project Counts continued...

- **RHP 4 Healthcare Partnership Entities:**

- **Hospitals continued:**

- ✓ **Community Hospitals**

- Christus Spohn Hospital – Alice (24 projects)
 - Christus Spohn Hospital – Beeville (22 projects)
 - Christus Spohn Hospital – Kleberg (20 projects)
 - Citizens Medical Center, Victoria (14 projects)
 - DeTar Healthcare System, Victoria (20 projects)
 - Gonzales Memorial Hospital (8 projects)
 - Yoakum Community Hospital (9 projects)



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Provider DSRIP Project Counts continued...

- **RHP 4 Healthcare Partnership Entities:**
 - **Mental Health Authorities**
 - Bluebonnet Trails Community Ctr., Round Rock (2 projects)
 - Camino Real Community Ctr., Lytle (4 projects)
 - Coastal Plains Community Ctr., Portland (3 projects)
 - Gulf Bend Community Ctr., Victoria (7 projects)
 - Nueces County Community Ctr., Corpus Christi (8 projects)
 - **Public Health Department**
 - Corpus Christi-Nueces County Public Health Dist. (7 projects)
 - **Academic Physician Groups**
 - None



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DSRIP Projects by Provider Type

- **Infrastructure Development (Category 1):**
 - **RHP 4 Total Count = 39**
 - Hospitals = 35
 - Mental Health Authorities = 3
 - Public Health Departments = 1
- **Program Innovation & Redesign (Category 2):**
 - **RHP 4 Total Count = 46**
 - Hospitals = 35
 - Mental Health Authorities = 8
 - Public Health Departments = 3



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DSRIP Projects by Provider Type continued...

- **Quality Improvement (Category 3):**
 - **RHP 4 Total Count = 100**
 - Hospitals = 88
 - Mental Health Authorities = 9
 - Public Health Departments = 3

- **Population-based Improvements (Category 4):**
 - **RHP 4 Total Count = 54**
 - Hospitals = 50
 - Mental Health Authorities = 4
 - Public Health Departments = 0



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DSRIP Project Success

- **Most DSRIP Projects have completed their start-up phase, and have successfully reported achievement of initial project activities.**
- **Projects have begun reporting their direct patient impact and established benchmarks for project outcomes.**
 - Providers report twice a year on project metrics and milestones completed to earn DSRIP payments.
- **In the final two years of the Waiver (2015 – 2016), providers will report improvement in outcome measures related to each project.**



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Waiver Information

- **Texas Health & Human Services Commission:**
 - **Waiver Information:**
<http://www.hhsc.state.tx.us/1115-waiver.shtml>
 - **Waiver Comments/Questions:**
TXHealthcareTransformation@hhsc.state.tx.us
- **RHP Region 4:**
 - **Regional Health Plan:**
<http://www.nchdcc.org/regional-healthcare-partnership-plan.cfm>
 - **Regional Health Plan Public Meeting Notices:**
<http://www.nchdcc.org/public-notices.cfm>



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