ANNUAL ANCHOR REPORT & DY6 LEARNING COLLABORATIVE PLAN REQUIREMENTS
Learning Collaborative Plan Requirements

• Learning Collaborative plan due December 15th and must include:
  – Topics for each learning collaborative, dates and locations (if known)
  – Goals for learning collaboratives and how they will be achieved
  – Key design elements for improvement design (such as PDSA or IHI Model for Improvement)
  – Participant involvement (including plans for including non-DSRIP participants such as managed care organizations or community partners)
  – How to share information and data
  – Learning Collaborative format and frequency
Learning Collaborative Requirements

• Plan must include a focus on DSRIP integration, value-based purchasing and/or alternative payment methods and sustainability strategies for low-income uninsured

• Our current plans are to continue conducting quarterly learning collaborative meetings during 2017, with two separate workgroups
  – DSRIP integration into managed care and sustainability
  – Payment strategies and sustainability

• No required “raise the floor” initiative at this time
Annual Report Requirements

• 2016 report also due December 15
• Template is identical to the 2015 requirements, which include:
  – Summary information on progress, including project-specific highlights
  – Lessons learned
  – PDSA Improvement process
  – Learning collaborative challenges and strengths
  – Program challenges at regional level and project/provider level
  – Recommendations for future statewide learning collaborative
Annual Report Requirements

• HMA will develop report
• Will rely on prior reporting where possible
• As in 2015, will request input from providers on:
  – Describe any challenges in administering, facilitation, or participating in a Learning Collaborative
  – Describe any strengths and challenges of the Learning Collaborative model as a tool for quality improvement
  – Describe any recommendations for the next statewide learning collaborative.
Community Needs Assessment Requirement

• Updated CNA due June 2017
• Must update 2012 CNA to reflect major changes, including changes to priority needs
• Will begin process in January
  – Request existing reports, documents, community assessments you or others in the community may have
  – Include annual reports from your organization and any other
• HMA will supplement the information you provide to finalize the report
• Public stakeholder meetings will be conducted to review report; revisions will be incorporated and final documented submitted in June
WAIVER UPDATES AND LEGISLATIVE SESSION
Waiver Updates

• HHSC continues negotiations with CMS on waiver renewal for DY 7-DY 10

• CMS interest for future DSRIP projects:
  – Transformation, incentives, outcomes – not processes or operations
  – Support DSRIP projects through managed care delivery system
  – Need to move forward from where we are today to where we need to be for a transformed health care delivery system
Uncompensated Care Study

• HMA completed the UC study required by CMS as a condition of the waiver extension
• Report submitted end of August and available on HHSC website
• As noted in recent Anchor call, HHSC is now in the initial stages of reviewing report findings with HHSC and discussing implications for waiver renewal
Study Components

• Scope of the report determined by CMS requirements
  – Description of current Medicaid hospital payments and funding sources
  – Estimate of uncompensated care cost
  – Evaluation of Medicaid payment adequacy, with and without supplemental payments, and in comparison to other states
  – Impact of recent economic and environmental trends
  – Estimate the effects on hospitals of a Medicaid expansion, DSH cuts
Defining Uninsured Cost

• Two areas where HHSC policy and CMS’ view differ
  1. Source of information: In Florida and California, CMS used worksheet S-10 from the Medicare cost report as the source of truth
  2. Treatment of bad debt: In Florida and California, CMS excluded bad debt from uninsured patient accounts

• Uninsured Cost used in HMA analyses relies on HHSC’s DSH/UC model (not the S-10) and includes uninsured bad debt

<table>
<thead>
<tr>
<th>FY2013 Data, $ in Millions</th>
<th>USED</th>
<th>CMS view</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of hospitals</td>
<td>356</td>
<td>318</td>
<td>38</td>
</tr>
<tr>
<td>Charges</td>
<td>$22,051</td>
<td>$10,597</td>
<td>$11,454</td>
</tr>
<tr>
<td>Average cost to charge ratio</td>
<td>.2205</td>
<td>.2311</td>
<td></td>
</tr>
<tr>
<td>Cost before adjustments</td>
<td>$4,861</td>
<td>$2,448</td>
<td>$2,413</td>
</tr>
<tr>
<td>Adjustments in DSH/UC model</td>
<td>$387</td>
<td>$ -0-</td>
<td>$387</td>
</tr>
<tr>
<td>Uninsured cost</td>
<td>$5,248</td>
<td>$2,448</td>
<td>$2,800</td>
</tr>
</tbody>
</table>
Study Conclusions

• Estimated $8.7 billion in UC costs in 2015
• Based on population growth trends and demographics, projected DSH cuts, underlying market factors, UC costs will continue to grow
• Medicaid expansion would blunt UC costs, but not eliminate them
• Without waiver payments, hospitals would still incur $8.2 billion in UC costs even with expansion
Legislative Session

• Begins January 10th
• Legislature faces significant budget shortfall due to decreased revenue from oil
• Priorities: education funding, CPS funding
• Timing of CMS decision and legislative deadlines critical
  – If CMS decision re. UC funding comes late in session, opportunities to resolve with legislation could be limited
Legislative Session Key Dates

• Pre-filing of legislation begins November 14
• Session begins January 10
• Last day for new bills: March 10
• Final day of session: May 29
Managed Care Integration, Value Based Purchasing and Alternative Payment Strategies

SUSTAINABILITY
Sustainability

• In DY 6, there is a sustainability planning milestone valued at 25% of each DSRIP project’s Category 1 or 2 value.
• HHSC has said they will provide a template

• **Program Sustainability Assessment Tool**
  – Many factors can affect sustainability, such as financial and political climates, organizational characteristics, and elements of evaluation and communication.
  – The tool allows stakeholders to rate their programs on the extent to which they have processes and structures in place that will increase the likelihood of sustainability.
  – Assessment results can then be used to identify next steps in building program capacity for sustainability in order to position efforts for long term success.
  – [https://sustaintool.org/](https://sustaintool.org/)
Welcome to the online Program Sustainability Assessment Tool.

Let us help you rate the sustainability capacity of your program across a range of factors.

Start a new assessment

Building Programs that Last - Create a group assessment, involve your team, and get different perspectives on your program’s sustainability capacity. Receive a summary sustainability report.

1 > Understand
Understand the factors that

2 > Assess
Use the Program

3 > Review
View results from your

4 > Plan
Develop an Action Plan to
Program Sustainability Tool

• **What is the purpose of this tool?**
  – This tool will enable you to assess your program’s current capacity for sustainability across a range of specific organizational and contextual factors.
  – Your responses will identify sustainability strengths and challenges.

• **Rated areas include:**
  – Environmental Support
  – Funding Stability
  – Partnerships
  – Organizational Capacity
  – Program Evaluation
  – Program Adaptation
  – Communication
  – Strategic Planning
Environmental Support Domain Example

**Environmental Support:** Having a supportive internal and external climate for your program

<table>
<thead>
<tr>
<th>Environmental Support</th>
<th>To little or no extent</th>
<th>To a very great extent</th>
<th>Not able to answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Champions exist who strongly support the program.</td>
<td>1 2 3 4 5 6 7 NA</td>
<td>1 2 3 4 5 6 7 NA</td>
<td>1 2 3 4 5 6 7 NA</td>
</tr>
<tr>
<td>2. The program has strong champions with the ability to garner resources.</td>
<td>1 2 3 4 5 6 7 NA</td>
<td>1 2 3 4 5 6 7 NA</td>
<td>1 2 3 4 5 6 7 NA</td>
</tr>
<tr>
<td>3. The program has leadership support from within the larger organization.</td>
<td>1 2 3 4 5 6 7 NA</td>
<td>1 2 3 4 5 6 7 NA</td>
<td>1 2 3 4 5 6 7 NA</td>
</tr>
<tr>
<td>4. The program has leadership support from outside of the organization.</td>
<td>1 2 3 4 5 6 7 NA</td>
<td>1 2 3 4 5 6 7 NA</td>
<td>1 2 3 4 5 6 7 NA</td>
</tr>
<tr>
<td>5. The program has strong public support.</td>
<td>1 2 3 4 5 6 7 NA</td>
<td>1 2 3 4 5 6 7 NA</td>
<td>1 2 3 4 5 6 7 NA</td>
</tr>
</tbody>
</table>
Sample Results

Interpreting the Results:

- The table presents the average rating for each sustainability domain based on the responses that you provided.
- There is no minimum rating that guarantees the sustainability of your program.
- Lower ratings do indicate opportunities for improvement that you may want to focus on when developing a plan for sustainability.

<table>
<thead>
<tr>
<th>Overall Capacity for Sustainability</th>
<th>3.9</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental Support</td>
<td>3.0</td>
</tr>
<tr>
<td>Funding Stability</td>
<td>3.6</td>
</tr>
<tr>
<td>Partnerships</td>
<td>5.0</td>
</tr>
<tr>
<td>Organizational Capacity</td>
<td>5.0</td>
</tr>
<tr>
<td>Program Evaluation</td>
<td>4.0</td>
</tr>
<tr>
<td>Program Adaptation</td>
<td>3.0</td>
</tr>
<tr>
<td>Communications</td>
<td>3.8</td>
</tr>
<tr>
<td>Strategic Planning</td>
<td>3.6</td>
</tr>
</tbody>
</table>

1 = to little or no extent / 7 = to a great extent
Next Steps

- These results can be used to guide sustainability planning for your efforts.
- Areas with lower ratings indicate that there is room for improvement.
- Address domains that are most modifiable, quicker to change, and have data available to support the needed changes.
- Develop strategies to tackle the domains that may be more difficult to modify.
- Make plans to assess the sustainability of your efforts on an ongoing basis to monitor changes as you strive for an ongoing impact.
MCO Integration

• Key Factors to MCO integration
• MCO Entities
  – Driscoll Children’s Health Plan
  – Superior Health Plan
  – United Health Care
  – Christus Health Plan
• Next steps