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# Framing Post-DSRIP (Stakeholder Proposals and DSRIP Transition Plan Feedback)

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# Transition Plan Requirements

- The 1115 Waiver Special Terms and Conditions require the state to submit a Transition Plan for DSRIP by October 1, 2019 (STC #37) for review and approval by the Centers for Medicare & Medicaid Services (CMS).
- Portions of the overall Federal Financial Participation (FFP) for DSRIP will be at-risk if Texas fails to submit a plan by October 1, 2019, or fails to achieve milestones outlined in the plan for DY9-10.

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# STC #37

- **The plan must describe how Texas will further develop delivery system reform efforts after DSRIP ends.**
- **The plan must include DY9-10 milestones (FFY 2020-2021) for HHSC/Texas.**
- **Texas milestones may relate to:**
  - Use of alternative payment models
  - State's adoption of managed care payment models
  - Payment mechanisms to support delivery system reform efforts
  - Other opportunities

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# Stakeholder Input for Post DSRIP

**In October 2018, HHSC released a request:**

- **To identify initial stakeholder proposals for programs and services after DSRIP ends**
- **To inform development of the DSRIP Transition Plan**
- **To inform discussions in the state and with CMS**

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# Stakeholder Input for Post DSRIP (cont.)

- The proposals that were submitted included multiple areas for consideration.
- A summary of proposals is posted at https://hhs.texas.gov/laws-regulations/policies-rules/waivers/medicaid-1115-waiver/waiver-renewal (Transition Proposals Received from Stakeholders (Excel))

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# Draft Transition Plan Stakeholder Input

- HHSC released the draft DSRIP Transition Plan for stakeholder input August 1 through 15.
- HHSC received many comments on the draft DSRIP transition plan. We are reviewing this information, and will use it as we finalize the draft plan and develop work plans for each milestone.
- The major themes from the draft transition plan feedback are consistent with the proposals received in late 2018.

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# Key Focus Areas of Post-DSRIP Planning

- Key focus areas included in the draft transition plan:
- Patient navigation, care coordination, and care transitions, especially for patients with high costs and high utilization
- Maternal health and birth outcomes, including in rural areas of the state
- Health promotion and disease prevention
- Behavioral health
- Primary care
- Chronic care management
- Pediatric care
- Rural health care
- Telemedicine and telehealth
- Social drivers of health

*HHSC received many comments about additional key focus areas – e.g., access to care, public health, and hospital quality. HHSC recognizes the breadth of activity currently enabled by DSRIP that stakeholders want to build on.*

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# DSRIP Transition: Budget Neutrality and Scalability

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- Under the 1115 waiver, the state must maintain budget neutrality
  - The state cannot spend more federal funds under the 1115 waiver than it would have spent without the waiver.
- Budget neutrality is periodically recalculated.
- The exact amount of budgetary space under the budget neutrality cap for DY9-10 and beyond is unknown.
- Proposals analyzed for scalability for implementation at different funding levels.

# Stakeholder Themes: Access to Care and Coverage

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## Focus Areas for Access to Care and Coverage

- Primary/preventive, behavioral health, chronic care management, oral health, and reproductive health
- Low-income population, seeking enhanced 90% federal match
- Building on local coverage programs such as CARE Link in San Antonio
- Specific populations such as adults with severe mental illness (SMI)

# Stakeholder Themes: Directed Payment Programs

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**Background**

- Permitted under federal Medicaid managed care regulations. See 42 CFR § 438.6(c).
- Allows managed organizations to make increased payments for services through adjustments to provider reimbursement rates or as incentive payments.
- States must submit a preprint describing the program which must be approved annually by CMS.
- There are no timelines associated with the submission or approval process, though HHSC must take into account the managed care contract cycle when planning.

# Directed Payment Programs

**Directed payments must go to one type or "class" of provider through Medicaid managed care.**

**Texas already has directed payment programs**

- Quality Incentive Payment Program (QIPP) for nursing facilities
- Uniform Hospital Rate Increase Program (UHRIP) for hospitals

**CMS website has information about directed payment programs: https://www.medicaid.gov/medicaid/managed-care/index.html**

- See "Final Rule - Additional Resources and Guidance".

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# Stakeholder Themes: Behavioral Health

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- Broaden populations covered by Medicaid (e.g., SMI adults, included in coverage proposals theme above)
- Broaden the service array to include partial hospitalization, intensive outpatient, youth crisis respite
- Integrate behavioral health care with physical health care
- Increase access, early identification, care coordination and follow up
- Supports for criminal justice system, including in rural communities
- Focus on intersection of mental health and substance use with maternal health

# Stakeholder Themes: Alternative Payment Models

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**Focus of APM Proposals**

- Medicaid managed care with low-income uninsured as secondary population.
- Dual eligibles and other systems such as exchange plans.
- Issues such as maternal care, reducing admissions/readmissions, reducing emergency department use, or managing chronic disease.
- Specific populations such as pediatrics.
- Complex, highest cost/needs patients.
- Sharing of timely data is necessary for value based payment (VBP).
- Alignment, administrative simplification, and standardization will help with VBP.
- Incentives need to be meaningful to enable delivery system improvements.

# Themes:
# Social Drivers of Health

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- Build on foundation of Accountable Health Communities grant work
- Non-emergency transportation
- Target individuals at risk of diabetes
- Reach individuals in communities

# Stakeholder Themes: Telemedicine/Telehealth

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- Increase access to specialty care
- Behavioral health
- Pediatrics
- Increase technology use in rural areas

# Stakeholder Themes: Care Transitions

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**Examples Include**

- Reduce hospital admissions, readmissions, emergency department diversion
- Follow-up after hospitalization in rural areas (overlaps with telemedicine and telehealth)
- Transition from pediatric to adult systems of care

# Additional Stakeholder Feedback

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- Allow regional approaches
- Consider needs of small and rural providers
- Maintain funding for current DSRIP providers as DSRIP phases down (DY11 forward) to sustain advances
- More collaboration for post-DSRIP planning - including pediatric hospitals, IDD/BH stakeholders, LHDs, MCOs, IGT entities

# Next Steps for Post-DSRIP Planning

- Develop plans to achieve Transition Plan milestones and continue to invest in delivery system reform successes.
- Assess options to sustain reforms in Medicaid program while leveraging existing waiver financing structures, including:
  - Directed payments in managed care
  - Targeted enhancements of benefits
  - Other federally-allowable options
- Prioritize best practices from DSRIP and emerging areas of health care innovation that address identified focus areas.
- Consider future of the Regional Healthcare Partnerships (RHPs)
- Engage stakeholders throughout this process to collaborate on development and analysis of potential strategies.

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# Thank you

**DSRIP Email:** TXHealthcareTransformation@hhsc.state.tx.us

**DSRIP Website:** https://hhs.texas.gov/laws-regulations/policies-rules/waivers/medicaid-1115-waiver/waiver-renewal