Table 1: Value-Based Payment and Quality Improvement Advisory Committee member attendance at the Friday, February 16, 2018 meeting.

<table>
<thead>
<tr>
<th>MEMBER NAME</th>
<th>YES</th>
<th>NO</th>
<th>MEMBER NAME</th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Berkowitz, Steven M., MD</td>
<td></td>
<td>X</td>
<td>Keller, Andy, PhD</td>
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<tr>
<td>Bose, Sarojini, MD</td>
<td>X</td>
<td></td>
<td>Lee, Kathy</td>
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<tr>
<td>Fullerton, Cliff, MD</td>
<td>X</td>
<td></td>
<td>Peterson, Mary Dale, MD</td>
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<td>Gandhi, Darshan, MD</td>
<td></td>
<td>X</td>
<td>Sowell, Vincent</td>
<td>P</td>
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<tr>
<td>Ganduglia Cazaban, Cecilia, MD, PhD</td>
<td>X</td>
<td></td>
<td>Taylor Calhoun, Rose</td>
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<td></td>
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<tr>
<td>Garrett, Adam M.</td>
<td>X</td>
<td></td>
<td>Vacant</td>
<td></td>
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<td>Haney-Urrea, Angie</td>
<td>X</td>
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<td>Vacant</td>
<td></td>
<td>X</td>
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<tr>
<td>Hardy-Decuir, Beverly, DNP</td>
<td>X</td>
<td></td>
<td>Kirsch, Lisa C. (Ex-Officio)</td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>

Yes: Indicates attended the meeting. No: Indicates did not attend the meeting. P: Indicates member participated by phone.

Agenda Item 1: Welcome and Introductions
The Value-Based Payment and Quality Improvement (VBPQI) Advisory Committee meeting convened at 10:07 a.m., with Mr. Jimmy Blanton, Director, Health Quality Institute, HHSC, welcoming participants to the meeting. Table 1 notes committee member attendance at the meeting; it was noted a quorum was present.

Agenda Item 2: Update from the Chair
This agenda item was tabled.

Agenda Item 3: Election of presiding officer and assistant presiding officer
Mr. Blanton reviewed the responsibilities of the chair and vice chair, and the process for the election of both positions. Mr. Blanton called for a motion to approve the election process.
Motion:
Dr. Mary Dale Peterson moved to accept the election process. Dr. Beverly Hardy-Decuir seconded the motion. The election process was unanimously approved by roll call vote with no nays nor abstentions.

Mr. Blanton called for nominations for chair.

Motion:
Dr. Cliff Fullerton nominated Dr. Steven Berkowitz to the chair position. Dr. Andy Keller seconded the nomination. Dr. Berkowitz was unanimously elected as chair by roll call vote with no nays nor abstentions.

Mr. Blanton called for nominations for vice-chair.

Motion:
Dr. Peterson nominated herself to the vice-chair position. Dr. Keller seconded the nomination. Dr. Peterson was unanimously elected as vice-chair by roll call vote with no nays nor abstentions.

Agenda Item 4: Review and approval of meeting minutes from September 22, 2017
Dr. Peterson referred members to the minutes from the September 22, 2017, meeting.

Motion:
Dr. Hardy-Decuir moved to accept the September 22, 2017, meeting minutes, with the noted correction. Dr. Fullerton seconded the motion. The minutes were unanimously approved by voice vote with no nays nor abstentions.

Agenda Item 7: Discussion on Senate interim charge for improving quality and efficiency in the Medicaid program and identifying areas for multi-agency coordination and collaboration on value-based initiatives
Mr. Blanton referred to the Power Point handout and provided an update on the Senate interim charge regarding Medicaid quality and value-based payments, and reviewed two additional interim charges regarding state agency collaboration:

- Article IX, Special Provision 10.06 calls for a multi-level workgroup of state agencies that have large, state-funded healthcare expenditures to develop recommendations and a comprehensive plan for integration of data to support analyses, and, to identify potential opportunities for improved quality and efficiency of health care. A report to the Legislature is due May 1, 2018, and will be shared with the VBPQI Advisory Committee.
- Article IX, Special Provision 10.07 calls for cross-agency collaboration on value-based payment strategies.

Agenda Item 5: Welcome from Stephanie Muth, Associate Commissioner and Medicaid Director, Medicaid and CHIP Services Division
Ms. Stephanie Muth, Associate Commissioner and Medicaid Director, Medicaid and CHIP Services Division, HHSC, noted there is a lot of dynamic energy around value-based purchasing, and thanked the VBPQI Advisory Committee members for their work.

Agenda Item 6: Presentation: Update on Dell Medical School/Episcopal Health Foundation Project to Advance Value-Based Care in Texas Medicaid by Mark McClellan, MD., PhD, Dell Medical School, Duke-Margolis Center for Health Policy
Dr. Mark McClellan, Senior Health Policy Advisor, Dell Medical School, University of Texas at Austin, and Director, Robert J. Margolis Center for Health Policy, Duke University, reviewed the Power Point presentation, “Texas Medicaid Project to Advance Value Based Care February 16, 2018,” noting the project goal is to provide information and support on options in Medicaid to Texas decision makers, HHSC, and the VBPQI Advisory Committee.

Highlights included:

- A brief overview on national and Texas Medicaid context for value-based payment (VBP).
- Alternative payment models (APMs).
- Key HHSC Managed Care contract provisions.
- VBP contractual targets for managed care plans.
- Quality improvement costs.
- Pay for Quality (P4Q) program: STAR and STAR+PLUS measures
- A review of the December 8, 2017, symposium, including key questions and takeaways.
- High-impact areas of opportunity, and initial options to consider to help advance VBP in Texas Medicaid including:
  - Information sharing (transparency and stakeholder involvement);
  - Data sharing to support care coordination;
  - Maternal/newborn care;
  - Delivery System Reform Incentive Payment (DSRIP) 2.0 (determinants of health outcomes, social determinants); and,
  - Reduction of administrative burdens.

Public Comment:
Ms. Helen Kent Davis, Director of Governmental Affairs, Texas Medical Association (TMA), advised the members on the following:

- VBP are a big issue;
- TMA survey data shows 75% of physicians practice in groups of eight or fewer (many rural and small urban practices);
- Has heard significant concerns from members about provider readiness for VBP;
- The learning network is extremely important;
- Standardization of metrics is critical, especially with Medicaid payments as low as they are there is not an incentive;
- DSRIP does not benefit private doctors in the community, so they are farther behind;
- There are vestiges of fee-for-service (FFS) that hinders moving to new advance payment models;
- Prior authorizations interfere in the payment system; and,
- TMA wants to partner with the state and other entities on training.

Agenda Item 8: Quality and program improvement staff update
Mr. Blanton referenced the Power Point handout and provided brief updates on:

- New VBPQI Advisory Committee appointments;
- The HHSC standardization of advisory committees’ bylaws;
- Healthcare Quality plan and dashboard; and,
- The beginning of the measurement year for both the P4Q programs and the Managed care Organization (MCO) Alternative Payment Model (APM) requirements.

Mr. Andy Vasquez, Director, Quality and Program Improvement, HHSC, referenced the Power Point handout and briefed members on the Health Care Quality Plan’s six strategic priorities and nine programs and initiatives.
Agenda Item 9: Workgroup reports

- **Workgroup 1: Data driven quality improvement.** Dr. Cecilia Ganduglia Cazaban referenced the Power Point handout and provided a high-level summary of the five potential topics the workgroup is considering for the legislative report, including:
  - Data sharing with plans, providers, and consumers to support care coordination.
  - Data integration and linking across the HHS system, particularly Medicaid-Birth Certificate-Death Certificate.
  - Data access and collaborative analytics for quality improvement.
  - Public reporting for policy makers and consumers.
  - Identifying best/promising practices from DSRIP projects.

- **Workgroup 2: Foundational steps toward value-based care in Medicaid and CHIP.** Ms. Lisa Kirsch referenced the Power Point and a handout, and reviewed the workgroup’s seven potential topics for the legislative report, including:
  - Transparency and stakeholder involvement.
  - Data sharing with plans, providers, and consumers to support care coordination.
  - Maternal/newborn care.
  - DSRIP 2.0/social determinants.
  - Behavioral health/opioids.
  - Alleviation of administrative burdens.
  - Workforce development to support VBP.

Agenda Item 10: Legislative report discussion
Mr. Blanton referenced the Power Point handout, noting the seven elements of a good legislative recommendation; next steps for the workgroups; and, the legislative report timeline’s 2018 milestones. Mr. Blanton advised that final decisions on the legislative report will be determined at the May 8, 2018, meeting.

Agenda Item 11: Action items for staff or member follow-up
There will be workgroup calls before the May 8, 2018 meeting to start developing final recommendations.

Agenda Item 12: Public Comment
No public comment was offered.

Agenda Item 12: Adjourn
Dr. Peterson thanked meeting participants, and adjourned the meeting at 1:30 p.m.