Transition of Medically Dependent Children Program Waiver Recipients to STAR Kids

As Required by

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Regular Session, 2013

Human and Health Services Commission

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Executive Summary

The 2019 report on the Transition of Medically Dependent Children Program Waiver Recipients to STAR Kids is submitted in compliance with Section 2.12 of Senate Bill (S.B.) 7, 83rd Legislature, Regular Session, 2013. S.B. 7 requires the Health and Human Services Commission (HHSC) to evaluate outcomes related to transitioning children and young adults enrolled in the Medically Dependent Children Program (MDCP) into the STAR Kids capitated managed care program. S.B. 7 requires HHSC to submit a report annually, by December 1, on the transition of MDCP members to STAR Kids. This requirement expires in 2021.

In fiscal year 2017, MDCP enrollees began receiving their acute care and long-term services and supports (LTSS) through STAR Kids. STAR Kids provides all medically necessary or functionally necessary Medicaid services and the benefits of the MDCP waiver to eligible individuals. STAR Kids is designed to improve outcomes, coordination of care, and access to services, while reducing administrative complexity and unnecessary institutionalization. This report includes eligibility, enrollment, and utilization data through 2019, and the most recent quality measurement data available.

HHSC is focused on improving quality and strengthening accountability of Medicaid managed care, including the STAR Kids program. Initiatives are underway that address tools, processes, and oversight for:

- Assessment and service coordination
- Service authorizations and utilization
- Complaints, appeals, and fair hearings
- Performance management through operational reviews
- Quality measurement

HHSC monitors and analyzes service utilization data to determine whether STAR Kids members are receiving medically necessary services. In addition, HHSC is currently evaluating changes to optimize the functionality of the STAR Kids Screening and Assessment Instrument (SK-SAI). The SK-SAI is used to assess

1 As established under Texas Government Code, Section 533.00253.
children and young adults for STAR Kids, nursing needs, personal care needs, Community First Choice (CFC) eligibility, and MDCP waiver eligibility. In December 2017, Texas A&M University (TAMU) Health Science Center completed an evaluation of the SK-SAI and published the Optimizing the STAR Kids Screening and Assessment Instrument Final Report. Based on this report and stakeholder input, HHSC is determining improvements to the SK-SAI.

HHSC has implemented quality monitoring and improvement efforts for the STAR Kids program including managed care organization (MCO) report cards, performance improvement projects, performance indicator dashboards, and a pay-for-quality program which will begin with measurement year 2020. The state’s external quality review organization (EQRO) submitted a final post-implementation report, which HHSC is reviewing to determine whether additional quality initiatives should be considered.

The 86th Legislature also provided direction to HHSC on improving the STAR Kids program through Senate Bill 1207 and House Bill 4533. HHSC is in the process of implementing this legislation.
1. Background

HHSC implemented the STAR Kids program on November 1, 2016 and contracts with 10 MCOs to operate the program. Enrollment in STAR Kids is required for children age 20 and younger who:

- Receive Supplemental Security Income (SSI);
- Receive SSI and Medicare;
- Live in a community-based, intermediate care facility for individuals with an intellectual disability or related condition, or a nursing facility;
- Receive services through a Medicaid Buy-In program; or
- Receive services through any of the following 1915(c) Medicaid waiver programs:
  - MDCP;
  - Community Living Assistance and Support Services;
  - Deaf Blind with Multiple Disabilities;
  - Home and Community-based Services;
  - Texas Home Living; or
  - Youth Empowerment Services.

The STAR Kids program goals are to:

- Provide benefits tailored to meet members’ health care needs;
- Improve coordination of care, access to care, and health outcomes;
- Improve coordination with long-term care providers for members receiving LTSS outside of their MCO;
- Achieve cost containment and cost efficiency and reduce administrative complexity of delivering care;
- Reduce incidence of unnecessary institutionalization and potentially preventable events by ensuring access to appropriate services and care management; and
- Require a health home.

2 MDCP members receiving services through STAR Health are excluded from STAR Kids.

3 Texas Government Code, Section 533.00253(a)(2) defines health home.
2. Enrollment and Eligibility Data

Enrollment

Table 1 shows MDCP total enrollment for fiscal years 2017–2019. Total enrollment numbers are unduplicated, point-in-time counts. It is possible for total enrollment data to change depending on each individual’s enrollment status. For example, the following may contribute to overall program enrollment decreases:

- Medical necessity denial;
- Member age-out of MDCP into another program, such as the STAR+PLUS HCBS program or an intellectual and developmental disabilities waiver program; and
- Member death.

Table 1. MDCP Member Enrollment - Fiscal Years 2017-2019

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Members Enrolled</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>6,348</td>
</tr>
<tr>
<td>2018</td>
<td>6,150</td>
</tr>
<tr>
<td>2019</td>
<td>5,973(^4)</td>
</tr>
</tbody>
</table>

HHSC extended fair hearing timelines on a case-by-case basis upon request, to ensure families and individuals understood their rights under the fair hearing process and the actions taken. Extended fair hearings delayed MDCP interest list slot releases. The option of extending fair hearing timelines ended May 31, 2018. Starting July 2018, the agency released more names from the MDCP interest list to ramp up enrollment.

\(^4\) Fiscal year 2019 data is still subject to change as individuals who have been initially denied may request fair hearings and final determinations are pending.
The agency also worked with MDCP families and MCOs to incorporate substantial updates to the program denial notices. As a result, notices are now more descriptive of the appeals process and include person-centered language. These new notices began in January 2019.

**Eligibility Denials and Fair Hearings**

In addition to meeting the financial eligibility requirements, MDCP members or applicants must also meet medical necessity criteria for admission to a Texas nursing facility. Members or applicants are denied eligibility for the waiver when they do not meet the criteria.

Table 2 shows medical necessity denial rates for MDCP managed care members for fiscal years 2017-2019. The decrease in the medical necessity denial rate in fiscal year 2019 may be due to all individuals having already been assessed using the SK-SAI by the end of 2018. In addition, HHSC provided additional training to the MCOs in April 2018 and provided families educational materials about MDCP, medical necessity, and fair hearing processes.

These rates were calculated using point-in-time data. Some cases may still be in process and may not have a final determination yet. For more detailed information, see Appendix A.

**Table 2. Reassessment Medical Necessity Denial Rate for MDCP-Fiscal Years 2017-2019**

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Denial Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>14.1%</td>
</tr>
<tr>
<td>2018</td>
<td>8.7%</td>
</tr>
</tbody>
</table>

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5 Texas Administrative Code, Title 40, Part 1, §19.2401 General Qualifications for Medical Determinations.

6 Fiscal year 2017 does not include September and October 2016 as this was prior to STAR Kids implementation.
<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Denial Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>2.8%</td>
</tr>
</tbody>
</table>

The data on reassessment statuses are point-in-time and change as decisions are made through the medical necessity determination and fair hearings processes. When members dispute a medical necessity denial and request a fair hearing, the state conducts a fair hearing to review findings and additional documentation. Fair hearing cases can have the following dispositions:

- Withdrawn: a hearing was scheduled, but the appellant withdrew it.
- Dismissed: the appellant did not appear for the hearing.
- Sustained: the hearings officer agreed with the agency’s action.
- Reversed: the hearings officer did not agree with the agency’s action.

Figure 1 shows the number of fair hearing decisions HHSC issued for all MDCP medical necessity denials and the final disposition of cases. Fair hearings issued decisions on 100 MDCP cases in fiscal year 2017, 617 MDCP cases in fiscal year 2018, and 237 MDCP cases in fiscal year 2019. The increase in 2018 may be due to the expiration of continuity of care requirements that were in place in the first year and extended into the second year of the program.

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7 Fiscal year 2019 data is still subject to change as individuals who have been initially denied may request fair hearings and final determinations are pending.

8 Continuity of care requirements included extending individual service plans, SK-SAI, and fair hearing processes.
Figure 1. MDCP Medical Necessity Fair Hearing Disposition - Fiscal Years 2017-2019
3. STAR Kids Screening and Assessment Instrument

With the implementation of the STAR Kids program, HHSC began using the SK-SAI to assess children and young adults for STAR Kids, nursing needs, personal care needs, CFC eligibility, and MDCP waiver eligibility. The SK-SAI is a pediatric assessment that is comprehensive, holistic, person-centered, and scientifically valid and reliable. It more accurately and objectively captures information needed to make medical necessity determinations for children and young adults.\(^9\)

Information gathered with the SK-SAI is used to create an individual service plan (ISP) for each member, identify potential referrals for additional services, and establish medical necessity for MDCP. The SK-SAI also contains an MDCP module to determine an individual’s waiver budget, based on Resource Utilization Group III\(^{10}\) modeling.

The SK-SAI contains triggers that advance children into more extensive modules, and flags for follow-up by MCOs on issues such as the need for durable medical equipment, behavioral health services, and other therapies.

HHSC is working to optimize the SK-SAI, based on feedback from TAMU, MCOs, and stakeholder groups, including the STAR Kids Advisory Committee. The goal is to optimize the SK-SAI by revising skip patterns, triggers, and question wording. Anticipated outcomes include the following:

- Improved data integrity and reporting;
- A more actionable assessment;
- Ensure MCO assessor accuracy; and
- Reduced assessment burden on families and MCOs.

To achieve these outcomes, HHSC completed the following activities:

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\(^9\) The instrument used before the transition to STAR Kids, The Medical Necessity and Level of Care assessment, was designed primarily for an adult population, leaving more room for subjective interpretation in its use with children.

\(^{10}\) The Resource Utilization Group (RUG) III classification is based upon the information from a Minimum Data Set (MDS) 3.0 assessment and is a systematic approach to categorize the care needs of an individual. The RUG algorithm is used for nursing facility MDS assessment, MDCP, STAR+PLUS HCBS, and CFC.
• Evaluated areas where age stratification could be incorporated to increase skip logic so questions that do not apply to the child being assessed can be skipped.
• Improved definitions to remove ambiguity and clarify the intent of questions.
• Reviewed and revised questions as needed to assess nursing and attendant needs.
• Added definitions and examples in questions making the instrument more intuitive.

As work continues on the tool, HHSC will take the following necessary next steps:

• Continue working with the STAR Kids Advisory Committee Screening and Assessment Instrument Subcommittee for review and feedback on proposed changes.
• Update the SK-SAI Manual to reflect the instrument changes and appropriate policy clarifications suggested by stakeholders. This will be released with the revised SK-SAI.
• Create new training to demonstrate SK-SAI and manual updates.
• Identify additional opportunities to reduce burden on MCOs and families.
• Continue engaging with stakeholders regarding needed improvements.
• Address provisions of S.B. 1207, 86th Legislature, Regular Session, 2019, to streamline the assessment processes, share the completed assessment with the parent or Legally Authorized Representative prior (LAR), and allow for a peer-to-peer review process with the individual’s treating physician of choice in an event a parent or LAR disagrees with the data entered on the SK-SAI.
• While proposed changes to the tool align with S.B. 1207, additional items from the bill will be addressed in collaboration with the advisory committee as part of this initiative going forward. These include:
  ‣ Continue reducing the amount of time needed to complete the initial SK-SAI assessment and reassessment.
  ‣ Complete planned improvements to training and consistency in completion of the assessment and reassessment across MCOs and service coordinators.
  ‣ Streamline the reassessment process for children who have not had a significant change in function.

Significant work intended to improve the SK-SAI is ongoing and guided by broad-based stakeholder feedback and expertise of an interdisciplinary team. Continued improvements to the assessment must ensure the validity of the tool, which is intended to address a diverse population of needs for children and young adults.
Any future changes will continue to focus on ensuring the tool is accurate, valid, and person-centered, and that it addresses each individual’s needs, goals, and preferences.
4. Enhanced Member Protections

Abuse, Neglect, and Exploitation

Upon implementation of STAR Kids, MCOs were contractually required to ensure all MCO staff who have direct contact with a member receive training on abuse, neglect, and exploitation (ANE). In September 2018, HHSC added a requirement for the MCOs to report on the number and percent of MDCP service coordinators trained on recognizing and reporting ANE and unexplained death. MCOs are required to use an HHSC-approved training to meet training requirements on ANE. MCOs submitted their first quarterly report on this measure in December 2018 for the period of September 2018 through November 2018.

In May 2019, HHSC provided the MCOs with revised training materials through the HHSC Learning Portal. The revised training materials include a competency exam available to MCOs as an added resource.
5. Service Planning and Utilization

Person-Centered Planning

Person-centered planning training is a requirement for STAR Kids service coordinators. To comply with federal regulations, all service coordinators working with individuals receiving community-based services, including MDCP services, must be trained in person-centered practices and person-centered plan facilitation within six months of hire.\(^{11}\) Person-centeredness balances services important for the person’s health and safety with services important to well-being and quality of life. Person-centered service planning considers non-clinical concepts such as self-determination, dignity, community inclusion, and the belief that every person is the expert in their own life, has the potential for a personally defined high quality life, and can meaningfully contribute to society.

Utilization Review and Service Plan Monitoring

Service Plan Monitoring

In April 2019, HHSC conducted a targeted review of children in MDCP, including children in each STAR Kids MCO. HHSC reviewed each MCO’s contractual compliance with conducting assessments and service planning activities. The pilot review also collected information about the member’s or member representative’s experience and identified any issues with access to care or health and safety through the home visit portion of the review. The results were discussed with each of the MCOs.

In fiscal year 2020, HHSC will expand the utilization review process to include a statistically valid random sample of the STAR Kids MDCP population. The 2020 review is the same scope but will include a much larger sample.

\(^{11}\) 42 CFR Section 441.301(c)
**Utilization Review**

In addition to these activities, HHSC conducts operational reviews of STAR Kids MCOs. HHSC reviews the MCO’s application of their own prior authorization and utilization management policies and procedures, including reviewing application of medical necessity criteria. A service coordination module is being added to the operational review by March 2020. This module will assess compliance with contract requirements related to service coordination.

**Private Duty Nursing and Personal Care Services Utilization**

Information regarding trends in the utilization of Private Duty Nursing (PDN), Personal Care Services (PCS), and Physical Therapy (PT), Occupational Therapy (OT) and Speech Therapy (ST) among individuals receiving STAR Kids services before and after the November 2016 statewide managed care implementation was provided in the 2018 report.

Figure 2 shows that the number of STAR Kids members receiving paid personal care services each month has risen from just over 6,000 in November 2016 to just over 11,200 October 2018.
Figure 2. STAR Kids Members Receiving Personal Care Services

Figure 3 shows that the number of hours of PCS services paid per member per month ranges from 74 hours to 87 hours per month over the same time period.

Figure 3. Personal Care Service Hours Paid Per STAR Kids Member
Figure 4 shows that the percent of STAR Kids members who received any PCS services (paid or denied) in the month and who also had at least one denied service in that same month dropped from 34 percent in November 2016 to 8 percent in October 2018.

**Figure 4. Percentage STAR Kids Members Denied Personal Care Services**

An analysis of the explanation of benefits (EOB) codes reported by the MCOs on denied PCS encounters shows the most common reasons for denial:

- Charges exceeded the contracted reimbursement rate;
- Allowed amount has been reduced because a component of the basic procedure/test was paid. The beneficiary is not liable for more than the charge limit for the basis procedure/test;
- The procedure code is inconsistent with the modifier used or a required modifier is missing;
- Claim/service lacks information needed for adjudication. Additional information is supplied using remittance advice remarks codes whenever appropriate. At least one Remark Code must be provided; and
- Unknown code.
Figure 5 shows that the number of STAR Kids members receiving paid private duty nursing services each month has risen from just over 4,400 in November 2016 to just over 4,800 in October 2018.

**Figure 5. STAR Kids Members Receiving Private Duty Nursing**
Figure 6 shows that the average number of paid private duty nursing hours per member per month remains relatively stable, ranging between 261 and 326 hours per month.

**Figure 6. Private Duty Nursing Hours Paid Per STAR Kids Member**
Figure 7 shows that the percent of STAR Kids members who received any PDN services (paid or denied) in the month and who also had at least one denied service in that same month dropped from 25 percent in November 2016 to 11 percent in October 2018.

**Figure 7. Percentage of STAR Kids Members Denied Private Duty Nursing**

An analysis of the EOB codes reported by the MCOs on denied PDN encounters shows that the most common EOB reasons were:

- Charges exceed the contracted reimbursement rate;
- Duplicate claim/service;
- Payment denied—Prior processing information appears incorrect;
- The procedure code is inconsistent with the modifier used or a required modifier is missing; and
- The time limit for filing has expired.

**Therapy Service Utilization**

Since December 1, 2018, HHSC has been required to analyze selected data related to pediatric acute care therapy services (including physical, occupational, and speech therapies) for negative impact on access to care in accordance with Senate
Bill 1, Rider 57, 85th Legislature, Regular Session, 2017\(^{12}\). Reporting includes utilization data related to pediatric acute care therapy services (including physical, occupational, and speech therapies) on a quarterly basis.\(^{13}\) These Quarterly Therapy Access Monitoring Reports are shared with the STAR Kids Advisory Committee.

From June 2017 to September 2017, the rate of enrollees in STAR Kids receiving speech therapy per 1,000 members per month decreased 12 percent (110 to 97 members per 1,000 members). Similarly, both physical and occupational therapy utilization rates decreased 13 percent. The timing of the decrease in STAR Kids therapies correlates with when extended prior authorizations ended for members transitioning to STAR Kids from fee-for-service (FFS). When members in FFS transitioned to STAR Kids, the end date for their active prior authorizations were extended to ensure continuity of care. These extended authorizations ended in late spring 2017. In contrast, the utilization rates for members under 21 years old in both STAR Health and STAR remained stable during the same time period. Since then, from September 2017 through August 2018 (the last month for which final data are available), STAR Kids utilization rates have stabilized.

\(^{12}\) This was changed to Rider 15 by Senate Bill 1, 86th Legislature, Regular Session, 2019.

\(^{13}\) Reports available on the HHSC website at:


Figure 8. STAR Kids Utilization: Speech Therapy November 2016 - August 2018

August 2018 data are preliminary

Figure 9. STAR Kids Utilization: Occupational Therapy November 2016 - August 2018

August 2018 data are preliminary
Figure 10. STAR Kids Utilization: Physical Therapy November 2016 - August 2018\textsuperscript{16}

\textsuperscript{16} August 2018 data are preliminary
6. Quality Measurement

In summer 2016, the state’s EQRO\textsuperscript{17} began a multi-year study to evaluate the implementation of STAR Kids and develop a set of quality measures for the STAR Kids population. Prior to implementation, the EQRO completed a background report and a descriptive report based on caregiver surveys and quality measure results of children expected to be enrolled in STAR Kids. Post-implementation, the EQRO conducted MCO interviews, caregiver surveys, and a quality measure feasibility study. The EQRO conducted a statistical analysis comparing pre- and post-implementation quality measure results.

Pre-and Post-implementation activities are referenced in Appendix B, Information from Section 7 (Quality Measurement) of the 2018 “Transition of MDCP Waiver Recipients to STAR Kids” Report.

**Post-Implementation: EQRO Findings from MCO Interviews**

From MCO interviews, the EQRO found common areas of concern regarding the transition to managed care:

- early resistance to the program by families and providers;
- changes to or reductions in services;
- medical necessity denials; and
- issues with scheduling and completing the SK-SAI.

MCOs reported that fears about service reductions under STAR Kids lessened as members and providers developed relationships with their service coordinators and gained experience with the program.

Most MCOs reported changes or reductions in the utilization of certain service types, such as PDN. In many cases, the MCOs reported that increases in other service types, such as PCS, replaced reduction of PDN hours.

\textsuperscript{17} States providing Medicaid through a managed care model are federally required to have an EQRO. The University of Florida’s Institute for Child Health Policy (ICHP) is Texas’s EQRO.
The interviews also revealed several promising strategies used by MCOs:

- ensuring effective care coordination and service delivery, including stakeholder engagement;
- improving transition of members from pediatric to adult care; and
- building provider networks and ensuring continuity of care.

MCOs noted issues of network access or adequacy were similar to those experienced in other managed care programs, including shortages of behavioral health providers (especially pediatric psychiatrists) and other specialists.18

**Pre- and Post-Implementation: EQRO Findings from Caregiver Surveys**

In the three months prior to implementation of the STAR Kids program, the EQRO conducted a baseline telephone survey of 986 caregivers of children eligible for the program. This included a random sample drawn from the following groups:

- MDCP (N = 247);
- Intellectual or Disability waiver (N = 236);
- Fee-for-Service (FFS) - Supplemental Security Income (SSI) (N = 255); and
- STAR+PLUS-SSI (N = 248).

The STAR Kids Pre-Implementation Survey included questions from the Consumer Assessment of Healthcare Providers and Services (CAHPS) and the National Survey of Children’s Health (NSCH) assessing caregivers' experiences and satisfaction with their child’s:

- personal doctors;
- well-child care;
- specialist care and specialized services;
- care coordination;

• transportation services;
• prescription medicines; and
• transition to adult care.

The post-implementation telephone survey included the same caregivers about 18 months following program implementation. Among the caregivers who participated in the baseline survey, 400 completed the follow-up survey (for a response rate of 58%). The EQRO found changes in STAR Kids caregiver experiences and satisfaction pre- and post-implementation.

**Service Need and Utilization**

Following implementation of STAR Kids, caregiver-reported utilization increased for:

• urgent care;
• specialist appointments;
• medication prescriptions or refills;
• home healthcare; and
• special medical equipment or devices.

Caregiver-reported utilization decreased for:

• special therapies;
• behavioral health treatment or counseling; and
• medical transportation.

However, certain subgroups showed different findings. Caregivers of individuals in MDCP reported statistically significant decreases in the use of routine care\(^1\) (100% to 93%) and special therapies (77% to 65%). Members not in a waiver program reported significant increases in the use of specialist appointments (40% to 49%), prescription medicines (75% to 80%), and home healthcare (18% to 25%), and a significant decrease in use of behavioral health counseling or treatment (37% to 29%).

The EQRO analysis did not control for individual or health service factors. As a result, the report does not draw conclusions about whether reported changes in

\[^1\] These percentages reflect caregiver reported utilization of check-ups or routine care from the pre-and post-implementation surveys. This does not reflect actual utilization in the encounter data or member medical records.
service utilization represent overall improvements or declines in care delivery that can be attributed to STAR Kids implementation.

**Access and Experience with Care**

Findings on the CAHPS survey represent the percentage of caregivers who "always" had positive experiences with their child's care. The EQRO noted few changes at the program level, except for Getting Specialized Services, which increased significantly from 37% to 44%. This increase remained significant after controlling for other factors, including:

- caregiver education;
- language;
- race/ethnicity;
- child’s waiver status;
- number of special healthcare needs; and
- household type.

The EQRO also found increases in satisfaction among caregivers of MDCP members with regard to getting prescription medicines. However, the increase was not significant after controlling for other factors.

**Care Coordination**

The EQRO measured caregiver experiences with STAR Kids care coordination using selected items from the NSCH. More caregivers reported having someone to help with care coordination (16% to 31%), a statistically significant increase after controlling for other factors. Fewer said they “usually” or “always” got as much help as they wanted (from 52% to 40%), although this decrease was not significant after controlling for other factors. These findings suggest that, while access to care coordination is improving, the amount and quality of care coordination may not be meeting caregivers' needs and expectations.20

20 More information can be found in the External Quality Review Organization Summary of Activities Report Contract Year 2018
Based on EQRO reporting, S.B. 1207, 86th Legislature, Regular Session, 2019, allows HHSC, through the EQRO, to obtain additional data and conduct additional research to improve the program through annual surveys, annual focus groups, and more frequent performance measurement. HHSC is reviewing the final post-implementation report and determining the need for additional data and research.

**STAR Kids Quality Monitoring**

HHSC has incorporated STAR Kids into existing quality initiatives as quickly as possible. The first set of STAR Kids quality data (for calendar year 2017) was posted to the Texas Healthcare Learning Collaborative Portal in fall 2018. This data serves as the basis for several initiatives, including MCO Report Cards, Pay-for-Quality (P4Q), and the performance indicator dashboard.

HHSC and the EQRO are examining ways to fill gaps in national standardized measures. In particular, there are few long-term services and supports measures for adults and even fewer for kids. Possible solutions include using National Core Indicator data, SK-SAI reports, and individual service plan data to better evaluate the quality of care STAR Kids members are receiving. HHSC continues to review the feasibility of these options.

**Texas Healthcare Learning Collaborative Portal**

The Texas Healthcare Learning Collaborative portal\(^{21}\) is a secure web portal developed for use by HHSC and its Medicaid contractors to track performance data on key quality of care measures, including potentially preventable events, Healthcare Effectiveness Data and Information Set data, and other quality of care information. The data is interactive and can be queried to create more customized summaries of the quality results. Most of the data is available to the public with some additional information available to HHSC and MCO staff with a login. Calendar year 2017 STAR Kids quality measure data is currently available on the portal. Calendar year 2018 data will be available in 2019.

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**Performance Improvement Projects**

The Balanced Budget Act of 1997 requires all states with Medicaid managed care to ensure MCOs conduct performance improvement projects (PIPs). Title 42 Code of Federal Regulations (CFR), Section 438.330, requires projects to be designed to achieve significant improvement, sustained over time, in health outcomes and enrollee satisfaction. Elements of these projects include:

- Quality performance measurement;
- Interventions to improve access to and quality of care;
- Evaluation of the effectiveness of interventions; and
- Planning and initiation of activities for increasing or sustaining improvement.

HHSC works with the EQRO to identify PIP topics based on health plan performance on quality measures and member surveys that show areas of service or care needing improvement. HHSC requires each health plan to conduct two PIPs per program. One PIP per health plan must be collaborative with another health plan, Delivery System Reform Incentive Payment project, or a community-based organization.

STAR Kids MCOs implemented their first PIPs in January 2017, utilizing the SK-SAI to identify the needs of STAR Kids members and enhance care for this population. In response to a recommendation in the EQRO’s STAR Kids Pre-Implementation Descriptive Report,22 STAR Kids 2018 PIPs focused on reducing potentially preventable emergency department visits (PPVs) for upper respiratory tract infections. For 2019, STAR Kids MCOs are conducting a statewide PIP to reduce PPVs and inpatient stays among members with anxiety or depression through improved treatment for behavioral health conditions.

**Quality Assessment and Performance Improvement Programs**

Medicaid MCOs are required to operate Quality Assessment and Performance Improvement (QAPI) programs.23 These programs evaluate performance using

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23 42 CFR 438.330
objective quality standards, foster data-driven decision-making, and support programmatic improvements. QAPI program elements include:

- PIPs;
- Performance measurement data;
- Mechanisms to detect both overutilization and underutilization of services;
- Mechanisms to assess the quality and appropriateness of care furnished to enrollees with special health care needs; and
- Mechanisms to assess the quality and appropriateness of long-term services and supports, including efforts to prevent, detect, and remediate critical incidents.

MCOs report on their QAPI programs each year and these reports are evaluated by Texas’s EQRO. STAR Kids MCOs were required to have QAPI programs in place prior to STAR Kids implementation. MCOs included STAR Kids information in their 2017 QAPI reports (including information on STAR Kids for November and December 2016), and their 2018 QAPI reports.24

**Administrative Interviews**

The EQRO conducts administrative interviews (AIs) with each plan in Texas Medicaid and CHIP to assess MCO and dental maintenance organization compliance with state standards for access to care, structure and operations, and QAPI.25 The full cycle of AIs occurs over a three-year period, so that approximately one third of MCOs are reviewed each year. The interview process consists of four main deliverables: the AI tool, AI evaluations, onsite visit, and AI reports. AIs were conducted with four of the STAR Kids MCOs in 2017 and three in 2018. The remaining three STAR Kids MCOs will receive a site visit in 2019.

**MCO Report Cards**

HHSC is required by statute to provide information on outcome and process measures to Medicaid and CHIP members regarding MCO performance during the

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25 42 CFR 438.358
To comply with this requirement and other legislatively mandated transparency initiatives, HHSC develops report cards for each program service area to allow members to compare the MCOs on specific quality measures. These report cards are intended to assist potential enrollees in selecting an MCO based on quality metrics. Report cards are posted on the HHSC website and included in the Medicaid enrollment packets. STAR Kids report cards were included in enrollment packets and on the website for the first time in May 2019. Report cards are updated annually.

**Network Adequacy**

S.B. 760, 84th Legislature, Regular Session, 2015, directed HHSC to establish and implement a process for direct monitoring of a MCO's provider network, including the length of time a recipient must wait between scheduling an appointment with a provider and receiving treatment from the provider. To fulfill this direction, MCOs must assure that all members have access to all covered services on a timely basis, consistent with medically appropriate guidelines and accepted practice parameters.

Network adequacy initiatives include monitoring travel time and distance requirements, the Appointment Availability (AA) Study, and the Primary Care Provider (PCP) Referral Study. The AA study is a series of sub-studies completed by the state's EQRO. MCO performance is assessed by determining provider compliance with appointment availability and wait time standards for an appointment. The AA Study for STAR Kids is comprised of three reports measuring compliance with the contract requirements shown in Table 3.

26 Texas Government Code, Section 533.005


Table 3. Appointment Availability and Wait Time Contract Requirements

<table>
<thead>
<tr>
<th>Type of Care</th>
<th>Time to Treatment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urgent Care (child and adult)</td>
<td>Within 24 hours</td>
</tr>
<tr>
<td>Routine Primary Care (child and adult)</td>
<td>Within 14 calendar days</td>
</tr>
<tr>
<td>Preventive Health Services for New Child Members</td>
<td>No later than 90 calendar days of enrollment</td>
</tr>
<tr>
<td>Initial Outpatient Behavioral Health Visits (child and adult)</td>
<td>Within 14 days calendar days</td>
</tr>
<tr>
<td>Preventive Health Services for Adult</td>
<td>Within 90 calendar days</td>
</tr>
<tr>
<td>Vision Care (ophthalmology, therapeutic optometry)</td>
<td>None indicated (&quot;Access without primary care provider referral&quot;)</td>
</tr>
</tbody>
</table>

The STAR Kids primary care AA study was completed in October 2018 and the vision care AA study was completed in March 2019. Corrective action plans have been required for MCOs that did not meet compliance thresholds. The STAR Kids behavioral health AA study was completed in July 2018. As this was the first behavioral health AA study conducted, HHSC will use the results to set a corrective action plan threshold for SFY 2020.

The PCP Referral Study is conducted annually and examines PCP experiences when referring members for specialty care. The PCP Referral Study included STAR Kids providers beginning in 2018. The 2019 PCP Referral Study began in April.

**Performance Indicator Dashboards**

The Performance Indicator Dashboards include measures that identify key aspects of performance to support MCO accountability. Dashboard measures include high and minimum performance standards by program. MCO program level performance on each measure is compared to the standards and MCOs falling below minimum
performance standards on one-third or more of the dashboard measures are subject to corrective action plans. Standards for STAR Kids dashboard measures have been set for calendar year 2019, with results expected in fall 2020.

HHSC implemented a redesigned medical P4Q program in January 2018 that bases a percentage of premiums paid to MCOs on performance on quality-based outcome and process measures.\textsuperscript{29} The P4Q program creates financial incentives and disincentives based on health plan performance on a set of quality measures. STAR Kids is included in the P4Q program beginning with the 2020 measurement year, with the first results expected in fall 2021.\textsuperscript{30}

**STAR Kids Member and Provider Complaints**

HHSC monitors complaints about the STAR Kids program in the aggregate and is implementing changes to identify MDCP related complaints. Since the implementation of STAR Kids, a total of 7,747\textsuperscript{31} complaints have been received for the total STAR Kids population (approximately 161,090 members\textsuperscript{32}).

Since July 2018, HHSC has been working to improve the member managed care complaints process and data collection. Activities align with Rider 61 report recommendations, as required by the 85\textsuperscript{th} Legislature, Regular Session, 2015, and House Bill (H.B.) 4533, 86\textsuperscript{th} Regular Session, 2019. H.B. 4533 requires the following:

- Standardize the definition of grievance for Medicaid across divisions of the agency.
- Standardize data reporting and tracking within the agency.
- Implement a no wrong door system for complaints reported to the agency.

\textsuperscript{29} Texas Government Code Section 536.051

\textsuperscript{30} [https://hhs.texas.gov/sites/default/files/documents/laws-regulations/handbooks/umcm/6-2-14.pdf](https://hhs.texas.gov/sites/default/files/documents/laws-regulations/handbooks/umcm/6-2-14.pdf)

\textsuperscript{31} FY2017 – 2,256 total complaints; FY2018 – 3,137 total complaints; FY2019 – 2,354 total complaints

\textsuperscript{32} The MDCP population is less than five percent of the total STAR Kids population.
- Establish a procedure for expedited resolution of complaints related to access to care issues and to resolve the complaint within a specified period of time.
- Verify data reported by MCOs.
- Aggregate recipients and provider data and make available to the legislature and public.

HHSC is streamlining the member complaint process by implementing a no-wrong-door approach to ensure all HHSC staff quickly assist individuals; standardizing definitions and categorizations of complaints by HHSC and MCOs; improving data analysis to efficiently recognize patterns and promote early issue resolution; and providing greater transparency about complaints.

Changes to data collection are implementing in fiscal year 2020. This includes standardizing complaint categorizations and identifying MDCP related complaints submitted by MCOs. These changes will ensure complaints data can be aggregated across the agency and MCOs. Both agency and MCO MDCP data will be available following implementation of changes and assessment of data quality.
7. Legislative Initiatives

During the 2019 session, the Texas Legislature passed legislation to enhance HHSC oversight and operations of Medicaid managed care, both generally and specific to the STAR Kids program. HHSC is in the process of implementing the following related provisions.

Prior Authorization (PA) and Service Coverage Determinations

S.B. 1207, 86th Legislature, Regular Session, 2019, requires HHSC to:

- Establish PA timelines for MCOs, including a uniform process and timeline for MCOs that receive an insufficient or inadequate PA request.
- Ensure MCOs have an annual review process of PA requirements.
- Require MCOs to maintain PA information in an easily searchable and accessible format on MCOs’ websites.
- Require MCOs to adopt and maintain a process for a provider or a member to contact the MCO to clarify PA requirements or to assist the provider in submitting a PA request.
- Ensure that HHSC and MCO notices meet specified requirements.
- Contract with an independent entity to conduct external medical reviews related to a reduction in or denial of services on the basis of medical necessity.

STAR Kids

S.B. 1207 also directs HHSC to:

- Improve the SK-SAI and initial assessment and reassessment processes, in collaboration with the STAR Kids Advisory Committee. Streamline SK-SAI reassessment processes for a child who has not had a significant change in function.
- Develop and adopt a policy for coordination and timely delivery of wrap around services when a child has private coverage.
• Determine whether the findings from the EQRO’s initial report on the STAR Kids program necessitate additional data and research to improve the program.
• Extend the STAR Kids Advisory Committee to December 31, 2023.

H.B. 4533, 86th Legislature, Regular Session, 2019, requires HHSC in consultation and collaboration with the STAR Kids Advisory Committee to determine the feasibility of providing STAR Kids benefits under an Accountable Care Organization or alternative model. The bill also requires HHSC to issue a request for information to get feedback on statewide MCOs for STAR Kids.

**Medically Dependent Children 1915(c) Waiver**

H.B. 4533 requires HHSC to make all services in MDCP available through the Consumer Directed Services option. Currently, the CDS option is available for MDCP services except for minor home modifications, adaptive aids, and transition assistance services. HHSC is working to make the additional services available through CDS and anticipates this change will be effective in Fall 2020.

Additionally, S.B. 1207 directs HHSC to:

• Allow the legally authorized representative (LAR) of a child who is notified by HHSC that the child is no longer eligible for MDCP to request HHSC to return the child to the interest list for the program unless the child is ineligible due to age or place the child on the interest list for another 1915(c) waiver. The bill specifies the position that the child will be placed on the interest list.
• Ensure that the service coordinator for a STAR Kids MCO provides the results of the annual medical necessity determination to the parent or LAR of an MDCP recipient for review. HHSC must ensure the provision of the results does not delay the determination of the services to be provided or the ability to authorize and initiate services.
• Provide a parent or LAR who disagrees with the results of an assessment an opportunity to dispute the results with the MCO through a peer-to-peer review with the treating physician of choice.
• Create a Medicaid escalation help line for individuals in MDCP and the Deaf Blind with Multiple Disabilities (DBMD) waivers.
• Consider whether the child is diagnosed with a condition included in the list of compassionate allowances conditions published by the Social Security Administration or receives Medicaid hospice or palliative care services in
determining eligibility of a child for MDCP, DBMD, or a Money Follows the Person demonstration project. If a waiver offer is not immediately available for the child, HHSC must place the child in the first position on the MDCP or DBMD interest list, as applicable.

- Not require that a child reside in a nursing facility for an extended period of time to meet the nursing facility level of care required for the child to be determined eligible for MDCP, to the extent allowed by federal law.
8. Conclusion

Per legislative direction, the STAR Kids managed care program was implemented on November 1, 2016, to provide Medicaid services to children with disabilities, including those in MDCP. HHSC has made improvements to the STAR Kids program since its implementation and will continue to strengthen the service delivery model and oversight of the MCOs to ensure members, including those in MDCP, receive the services they need.

The following activities are in process or planned:

- Evaluating and beginning implementation of recommendations to optimize the SK-SAI as appropriate.
- Evaluating strategies to streamline prior authorization processes.
- Preparing to conduct a review of a statistically valid random sample of STAR Kids members in MDCP. This review will look at member’s assessment, service planning, and service delivery through documentation reviews and home visits.
- Expanding the MCO operational reviews to include a new service coordination module.
- Evaluating opportunities for optimization of the enhanced MCO member portals, which became effective September 1, 2018.
- Continuing work focused on improving service coordination, complaints processes, and clinical oversight of Medicaid managed care programs, including STAR Kids.
- Evaluating opportunities for enhancement to MCO provider portals to better facilitate peer-to-peer reviews.
- Addressing EQRO recommendations from the STAR Kids implementation study reports.
- Working with the EQRO to examine ways to fill gaps in national standardized measures, refine quality measures, and implement quality monitoring and improvement.

Implementing legislation to enhance HHSC oversight and operations of Medicaid managed care, including for the STAR Kids program.
## List of Acronyms

Include a list of all acronyms that appear in the report. Add each new entry in its own row of this table. (Delete this instruction before publishing.)

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Full Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>AA</td>
<td>Appointment Availability</td>
</tr>
<tr>
<td>AI</td>
<td>Administrative Interviews</td>
</tr>
<tr>
<td>CAHPS</td>
<td>Consumer Assessment of Healthcare Providers and Services</td>
</tr>
<tr>
<td>CFR</td>
<td>Code of Federal Regulations</td>
</tr>
<tr>
<td>DBMD</td>
<td>Deaf Blind with Multiple Disabilities</td>
</tr>
<tr>
<td>EOB</td>
<td>Explanation of Benefits</td>
</tr>
<tr>
<td>EQRO</td>
<td>External Quality Review Organization</td>
</tr>
<tr>
<td>FFS</td>
<td>Fee-for-Service</td>
</tr>
<tr>
<td>HHSC</td>
<td>Health and Human Services Commission</td>
</tr>
<tr>
<td>H.B.</td>
<td>House Bill</td>
</tr>
<tr>
<td>ICHP</td>
<td>Institute for Child Health Policy</td>
</tr>
<tr>
<td>ISP</td>
<td>Individual Service Plan</td>
</tr>
<tr>
<td>LAR</td>
<td>Legally Authorized Representative</td>
</tr>
<tr>
<td>LTSS</td>
<td>Long-term Services and Supports</td>
</tr>
<tr>
<td>Abbreviation</td>
<td>Description</td>
</tr>
<tr>
<td>--------------</td>
<td>-------------</td>
</tr>
<tr>
<td>MCO</td>
<td>Managed Care Organization</td>
</tr>
<tr>
<td>MDCP</td>
<td>Medically Dependent Children Program</td>
</tr>
<tr>
<td>NSCH</td>
<td>National Survey of Children’s Health</td>
</tr>
<tr>
<td>P4Q</td>
<td>Pay for Quality</td>
</tr>
<tr>
<td>PCP</td>
<td>Primary Care Provider</td>
</tr>
<tr>
<td>PCS</td>
<td>Personal Care Services</td>
</tr>
<tr>
<td>PDN</td>
<td>Private Duty Nursing</td>
</tr>
<tr>
<td>PIP</td>
<td>Performance Improvement Project</td>
</tr>
<tr>
<td>PPV</td>
<td>Preventable Emergency Department</td>
</tr>
<tr>
<td>PT/OT/ST</td>
<td>Physical, Occupational, and Speech Therapy</td>
</tr>
<tr>
<td>QAPI</td>
<td>Quality Assessment and Performance Improvement</td>
</tr>
<tr>
<td>S.B.</td>
<td>Senate Bill</td>
</tr>
<tr>
<td>SK-SAI</td>
<td>STAR Kids Screening and Assessment Instrument</td>
</tr>
<tr>
<td>SSI</td>
<td>Supplemental Security Income</td>
</tr>
<tr>
<td>TAMU</td>
<td>Texas A&amp;M University</td>
</tr>
</tbody>
</table>
Appendix A. Medically Dependent Children Program Denials – Annual Reassessment Cases

Tables 4 through 6 shows MDCP members with an SK-SAI submitted for MDCP medical necessity reassessment in the indicated month. SK-SAI submissions, which include both medical necessity and resource utilization group calculations, are considered MDCP reassessments. SK-SAI submissions for significant changes of the member’s condition may not include both of these calculations. Some MDCP members may have more than one assessment submitted in the same month with different statuses. Therefore, the total unduplicated members with an assessment submitted in a given month may be less than the sum of members with assessments in the different status categories.

An SK-SAI assessment is categorized as:

- In Process: if it has not yet received an initial approval decision or is pending a fair hearing;
- Approved: if it was initially approved or if an initial denial was overturned; or
- Denied: if it was denied and no fair hearing was requested or if the denial followed a fair hearing decision.

In Tables 4 through 6, data are broken out by denials as a result of fair hearing determinations separately from denials not appealed. Data are subject to change because MDCP members have 90 days to request a fair hearing.

Table 4. STAR Kids MDCP Members with Medical Necessity Reassessments Submitted in Fiscal Year 2017

<table>
<thead>
<tr>
<th>Month Reassessment Submitted</th>
<th>In Process Reassessment</th>
<th>Approved Reassessment</th>
<th>Denied Reassessment</th>
<th>Total Unduplicated with a Reassessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>November 2016</td>
<td>3</td>
<td>1</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>December 2016</td>
<td>1</td>
<td>9</td>
<td>1</td>
<td>11</td>
</tr>
<tr>
<td>January 2017</td>
<td>8</td>
<td>19</td>
<td>1</td>
<td>28</td>
</tr>
<tr>
<td>Month Reassessment Submitted</td>
<td>In Process Reassessment</td>
<td>Approved Reassessment</td>
<td>Denied Reassessment</td>
<td>Total Unduplicated with a Reassessment</td>
</tr>
<tr>
<td>------------------------------</td>
<td>-------------------------</td>
<td>----------------------</td>
<td>--------------------</td>
<td>---------------------------------------</td>
</tr>
<tr>
<td>February 2017</td>
<td>14</td>
<td>43</td>
<td>9</td>
<td>64</td>
</tr>
<tr>
<td>March 2017</td>
<td>7</td>
<td>176</td>
<td>25</td>
<td>206</td>
</tr>
<tr>
<td>April 2017</td>
<td>15</td>
<td>363</td>
<td>62</td>
<td>434</td>
</tr>
<tr>
<td>May 2017</td>
<td>52</td>
<td>513</td>
<td>85</td>
<td>608</td>
</tr>
<tr>
<td>June 2017</td>
<td>28</td>
<td>589</td>
<td>99</td>
<td>702</td>
</tr>
<tr>
<td>July 2017</td>
<td>11</td>
<td>502</td>
<td>83</td>
<td>588</td>
</tr>
<tr>
<td>August 2017</td>
<td>25</td>
<td>494</td>
<td>75</td>
<td>585</td>
</tr>
<tr>
<td>Unduplicated Fiscal Year 2017</td>
<td>149</td>
<td>2604</td>
<td>431</td>
<td>3057</td>
</tr>
</tbody>
</table>

Table 5. STAR Kids MDCP Medical Necessity Denials (Annual Reassessments) as a Percentage of Total Reassessments Completed - Fiscal Year 2018

<table>
<thead>
<tr>
<th>Month Reassessment Submitted</th>
<th>In Process Reassessment</th>
<th>Approved Reassessment</th>
<th>Denied Reassessment</th>
<th>Total Unduplicated with a Reassessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 2017</td>
<td>14</td>
<td>380</td>
<td>61</td>
<td>449</td>
</tr>
<tr>
<td>October 2017</td>
<td>6</td>
<td>320</td>
<td>54</td>
<td>376</td>
</tr>
<tr>
<td>November 2017</td>
<td>6</td>
<td>317</td>
<td>43</td>
<td>364</td>
</tr>
<tr>
<td>Month Reassessment Submitted</td>
<td>In Process Reassessment</td>
<td>Approved Reassessment</td>
<td>Denied Reassessment</td>
<td>Total Unduplicated with a Reassessment</td>
</tr>
<tr>
<td>------------------------------</td>
<td>-------------------------</td>
<td>-----------------------</td>
<td>--------------------</td>
<td>----------------------------------------</td>
</tr>
<tr>
<td>December 2017</td>
<td>15</td>
<td>402</td>
<td>63</td>
<td>471</td>
</tr>
<tr>
<td>January 2018</td>
<td>4</td>
<td>439</td>
<td>65</td>
<td>506</td>
</tr>
<tr>
<td>February 2018</td>
<td>4</td>
<td>438</td>
<td>37</td>
<td>475</td>
</tr>
<tr>
<td>March 2018</td>
<td>6</td>
<td>466</td>
<td>41</td>
<td>510</td>
</tr>
<tr>
<td>April 2018</td>
<td>4</td>
<td>422</td>
<td>22</td>
<td>445</td>
</tr>
<tr>
<td>May 2018</td>
<td>4</td>
<td>429</td>
<td>14</td>
<td>445</td>
</tr>
<tr>
<td>June 2018</td>
<td>0</td>
<td>449</td>
<td>10</td>
<td>459</td>
</tr>
<tr>
<td>July 2018</td>
<td>1</td>
<td>398</td>
<td>16</td>
<td>414</td>
</tr>
<tr>
<td>August 2018</td>
<td>2</td>
<td>468</td>
<td>22</td>
<td>490</td>
</tr>
<tr>
<td>Unduplicated Fiscal Year 2018 Total</td>
<td>63</td>
<td>4711</td>
<td>445</td>
<td>5141</td>
</tr>
</tbody>
</table>

Table 6. STAR Kids MDCP Medical Necessity Denials (Annuals Reassessments) as a Percentage of Total Reassessments Completed - Fiscal Year 2019

<table>
<thead>
<tr>
<th>Month Reassessment Submitted</th>
<th>In Process Reassessment</th>
<th>Approved Reassessment</th>
<th>Denied Reassessment</th>
<th>Total Unduplicated with a Reassessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 2018</td>
<td>1</td>
<td>342</td>
<td>8</td>
<td>351</td>
</tr>
<tr>
<td>Month Reassessment Submitted</td>
<td>In Process Reassessment</td>
<td>Approved Reassessment</td>
<td>Denied Reassessment</td>
<td>Total Unduplicated with a Reassessment</td>
</tr>
<tr>
<td>------------------------------</td>
<td>-------------------------</td>
<td>-----------------------</td>
<td>--------------------</td>
<td>----------------------------------------</td>
</tr>
<tr>
<td>October 2018</td>
<td>5</td>
<td>318</td>
<td>14</td>
<td>334</td>
</tr>
<tr>
<td>November 2018</td>
<td>6</td>
<td>381</td>
<td>8</td>
<td>391</td>
</tr>
<tr>
<td>December 2018</td>
<td>5</td>
<td>353</td>
<td>14</td>
<td>369</td>
</tr>
<tr>
<td>January 2019</td>
<td>7</td>
<td>468</td>
<td>18</td>
<td>489</td>
</tr>
<tr>
<td>February 2019</td>
<td>6</td>
<td>427</td>
<td>11</td>
<td>442</td>
</tr>
<tr>
<td>March 2019</td>
<td>5</td>
<td>441</td>
<td>13</td>
<td>455</td>
</tr>
<tr>
<td>April 2019</td>
<td>5</td>
<td>484</td>
<td>15</td>
<td>503</td>
</tr>
<tr>
<td>May 2019</td>
<td>9</td>
<td>424</td>
<td>8</td>
<td>439</td>
</tr>
<tr>
<td>June 2019</td>
<td>15</td>
<td>393</td>
<td>11</td>
<td>416</td>
</tr>
<tr>
<td>July 2019</td>
<td>13</td>
<td>429</td>
<td>17</td>
<td>456</td>
</tr>
<tr>
<td>August 2019</td>
<td>69</td>
<td>412</td>
<td>0</td>
<td>477</td>
</tr>
<tr>
<td><strong>Unduplicated Fiscal Year 2019 Total</strong></td>
<td><strong>146</strong></td>
<td><strong>4872</strong></td>
<td><strong>137</strong></td>
<td><strong>5122</strong></td>
</tr>
</tbody>
</table>

In Tables 7 through 9, the total provides MDCP medical necessity reassessment denial rates found by dividing the number of individuals with a denied assessment by the total individuals with an assessment in any status. Some individuals have
more than one assessment submitted in the same month with different denial status.

Therefore, the total percentage of individuals with denied assessment may be less than the sum of the percentages of individuals with “Denied – Fair Hearing Not Requested” plus “Denied – As a result of Fair Hearing.”

**Table 7. STAR Kids MDCP Medical Necessity Denials (Annual Reassessments) as a Percentage of Total Reassessments Completed - Fiscal Year 2017**

<table>
<thead>
<tr>
<th>Month Reassessment Submitted</th>
<th>Denied Reassessments – Fair Hearing Not Requested</th>
<th>Denied Reassessment – As a Result of Fair Hearing</th>
<th>Total Denied Reassessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>November 2016</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>December 2016</td>
<td>9.1%</td>
<td>0.0%</td>
<td>9.1%</td>
</tr>
<tr>
<td>January 2017</td>
<td>3.6%</td>
<td>0.0%</td>
<td>3.6%</td>
</tr>
<tr>
<td>February 2017</td>
<td>14.1%</td>
<td>0.0%</td>
<td>14.1%</td>
</tr>
<tr>
<td>March 2017</td>
<td>9.2%</td>
<td>2.9%</td>
<td>12.1%</td>
</tr>
<tr>
<td>April 2017</td>
<td>8.3%</td>
<td>6.0%</td>
<td>14.3%</td>
</tr>
<tr>
<td>May 2017</td>
<td>8.7%</td>
<td>5.4%</td>
<td>14.0%</td>
</tr>
<tr>
<td>June 2017</td>
<td>9.0%</td>
<td>5.3%</td>
<td>14.1%</td>
</tr>
<tr>
<td>July 2017</td>
<td>8.3%</td>
<td>5.8%</td>
<td>14.1%</td>
</tr>
<tr>
<td>August 2017</td>
<td>6.7%</td>
<td>6.2%</td>
<td>12.8%</td>
</tr>
<tr>
<td>Fiscal Year 2017 Totals</td>
<td>8.7%</td>
<td>5.6%</td>
<td>14.1%</td>
</tr>
</tbody>
</table>
Table 8. STAR Kids MDCP Medical Necessity Denials (Annual Reassessments) as a Percentage of Total Reassessments Completed - Fiscal Year 2018

<table>
<thead>
<tr>
<th>Month Reassessment Submitted</th>
<th>Denied Reassessments – Fair Hearing Not Required Not Requested</th>
<th>Denied Reassessment – As a Result of Fair Hearing</th>
<th>Total Denied Reassessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 2017</td>
<td>6.7%</td>
<td>6.9%</td>
<td>13.6%</td>
</tr>
<tr>
<td>October 2017</td>
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<td>7.5%</td>
<td>14.4%</td>
</tr>
<tr>
<td>November 2017</td>
<td>7.7%</td>
<td>4.1%</td>
<td>11.8%</td>
</tr>
<tr>
<td>December 2017</td>
<td>7.9%</td>
<td>5.5%</td>
<td>13.4%</td>
</tr>
<tr>
<td>January 2018</td>
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<td>6.1%</td>
<td>12.9%</td>
</tr>
<tr>
<td>February 2018</td>
<td>4.4%</td>
<td>3.4%</td>
<td>7.8%</td>
</tr>
<tr>
<td>March 2018</td>
<td>4.3%</td>
<td>3.7%</td>
<td>8.0%</td>
</tr>
<tr>
<td>April 2019</td>
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<td>3.8%</td>
<td>4.9%</td>
</tr>
<tr>
<td>May 2018</td>
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<td>3.2%</td>
</tr>
<tr>
<td>June 2018</td>
<td>1.5%</td>
<td>0.9%</td>
<td>2.2%</td>
</tr>
<tr>
<td>July 2018</td>
<td>3.1%</td>
<td>0.7%</td>
<td>3.9%</td>
</tr>
<tr>
<td>August 2018</td>
<td>2.7%</td>
<td>1.8%</td>
<td>4.5%</td>
</tr>
<tr>
<td>Fiscal Year 2018 Totals</td>
<td>4.8%</td>
<td>3.9%</td>
<td>8.7%</td>
</tr>
</tbody>
</table>
Table 9. STAR Kids MDCP Medical Necessity Denials (Annual Reassessments) as a Percentage of Total Reassessments Completed - Fiscal Year 2019

<table>
<thead>
<tr>
<th>Month Reassessment Submitted</th>
<th>Denied Reassessments – Fair Hearing Not Requested</th>
<th>Denied Reassessment – As a Result of Fair Hearing</th>
<th>Total Denied Reassessments</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 2018</td>
<td>1.4%</td>
<td>0.9%</td>
<td>2.3%</td>
</tr>
<tr>
<td>October 2018</td>
<td>2.7%</td>
<td>1.5%</td>
<td>4.2%</td>
</tr>
<tr>
<td>November 2018</td>
<td>1.3%</td>
<td>0.8%</td>
<td>2.1%</td>
</tr>
<tr>
<td>December 2018</td>
<td>2.2%</td>
<td>1.6%</td>
<td>3.8%</td>
</tr>
<tr>
<td>January 2019</td>
<td>1.8%</td>
<td>1.8%</td>
<td>3.7%</td>
</tr>
<tr>
<td>February 2019</td>
<td>1.8%</td>
<td>0.7%</td>
<td>2.5%</td>
</tr>
<tr>
<td>March 2019</td>
<td>2.4%</td>
<td>0.4%</td>
<td>2.9%</td>
</tr>
<tr>
<td>April 2019</td>
<td>1.8%</td>
<td>1.2%</td>
<td>3.0%</td>
</tr>
<tr>
<td>May 2019</td>
<td>1.8%</td>
<td>0.0%</td>
<td>1.8%</td>
</tr>
<tr>
<td>June 2019</td>
<td>2.6%</td>
<td>0.0%</td>
<td>2.6%</td>
</tr>
<tr>
<td>July 2019</td>
<td>3.7%</td>
<td>0.0%</td>
<td>3.7%</td>
</tr>
<tr>
<td>August 2019</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Fiscal Year 2019 Totals</td>
<td>2%</td>
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<td>2.8%</td>
</tr>
</tbody>
</table>
Appendix B. Information from Section 7 (Quality Measurement) of the 2018 Transition of MDCP Waiver Recipients to STAR Kids Report

Pre-Implementation Report

The University of Florida’s EQRO conducted a comprehensive review of the academic and policy literature on quality of care measurement for children with special healthcare needs and children with disabilities. Findings were used to develop a set of measures to assess quality of care for the STAR Kids population pre- and post-implementation.

Individuals eligible for STAR Kids were stratified into four service groups:

- MDCP;
- Waiver programs for children with intellectual or developmental disability;
- Fee-for-Service (FFS) SSI; and
- STAR+PLUS SSI.

ICHP conducted a caregiver survey and used administrative data to provide descriptive findings on utilization, access, and satisfaction of care prior to STAR Kids implementation. Findings were reported by service group.

ICHP produced two technical reports based on this work: the STAR Kids Program Focus Study Measures Background Report (February 10, 2017) and the STAR Kids Program Focus Study Pre-Implementation Descriptive Report (May 26, 2017). Findings were summarized in the 2017 Transition of Medically Dependent Children Program Waiver Recipients to STAR Kids report.


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Post-Implementation Report

EQRO will complete a STAR Kids post-implementation study by November 2019. The study aims to:

- Assess changes in utilization, quality, and experience of care among STAR Kids members by comparing the pre- and post-implementation findings;
- Provide baseline STAR Kids MCO profiles that present results on member characteristics (i.e., demographics and health status), services groups, utilization, satisfaction, and quality of care in the first year of implementation;
- Refine the set of measurements used to monitor the quality of care for STAR Kids; and
- Develop recommendations for targeting improvements to the delivery and quality of care for Star Kids members, and for the design of regular quality monitoring and improvement efforts.

The post-implementation study will include a follow-up telephone survey of STAR Kids caregivers who participated in the pre-implementation survey and interviews with STAR Kids MCOs. The study will also calculate administrative measures for STAR Kids members using encounter data from calendar year 2017 and assess the quality of SK-SAI and ISP data.

There will be five post-implementation study reports, including an MCO interview report, a measures feasibility study, caregiver survey results, a report on administrative measures findings, and a summary report.

The MCO interview report summarizes themes from interviews with STAR Kids MCOs between August 2017 and February 2018. The interviews included a set of open-ended questions regarding challenges and successes encountered during implementation, resources for care coordination, methods for monitoring enrollment, concerns from parents and disability advocates, network adequacy, and continuity of care. All of the STAR Kids MCOs provided written responses to the questions. ICHP reviewed responses and drafted follow-up questions. The report includes findings from the MCO interviews and ICHP’s recommendations based on findings from the interviews.34

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34 Texas Medicaid Managed Care STAR Kids Program Focus Study STAR Kids Managed Care Organization Interviews report is available at: