



Presentation to House Committee on Public Health on the Impact of Affordable Care Act on Medicaid Caseload

**Dr. Chassay, Deputy Executive Commissioner,
HHSC**

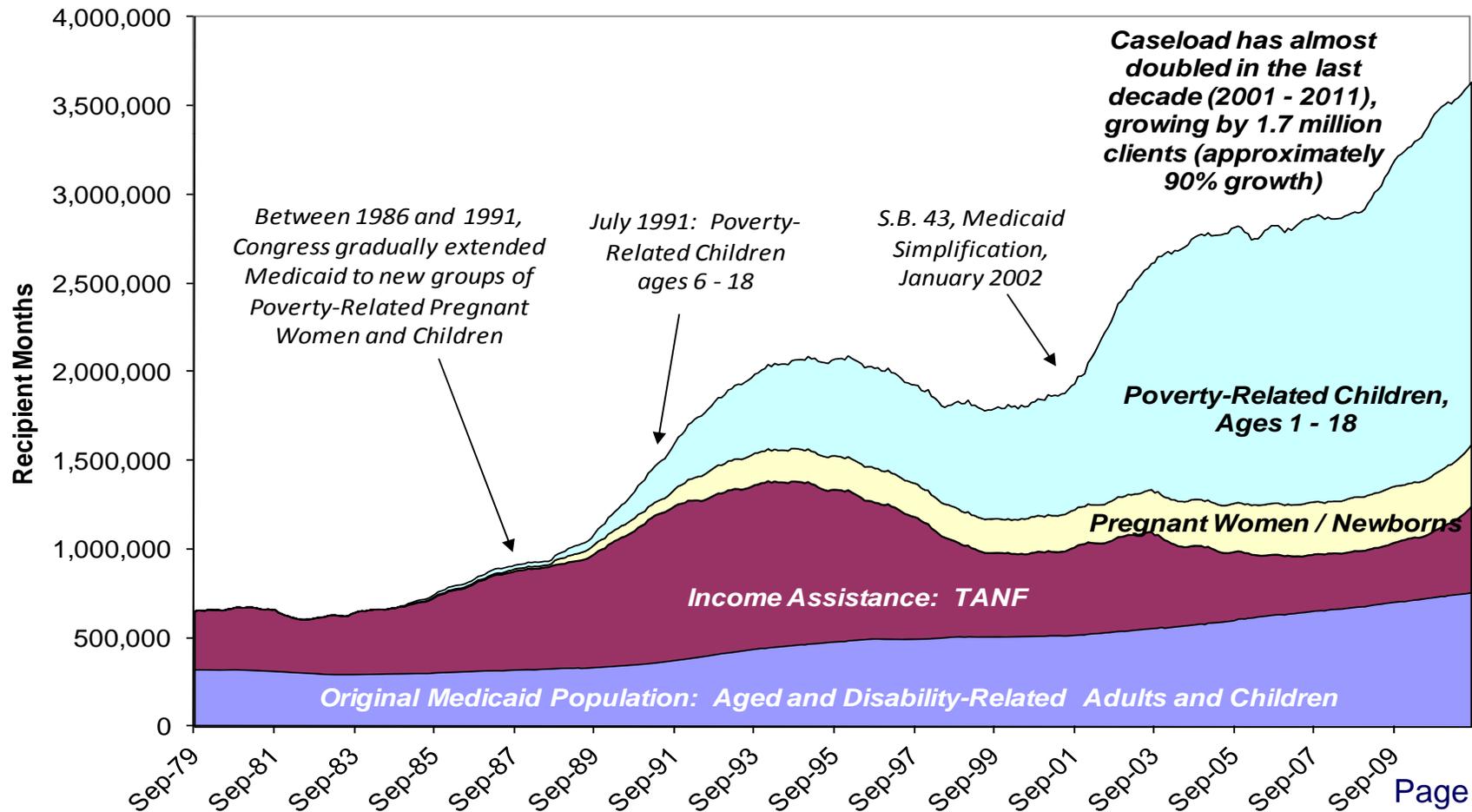
May 15, 2012

Overview

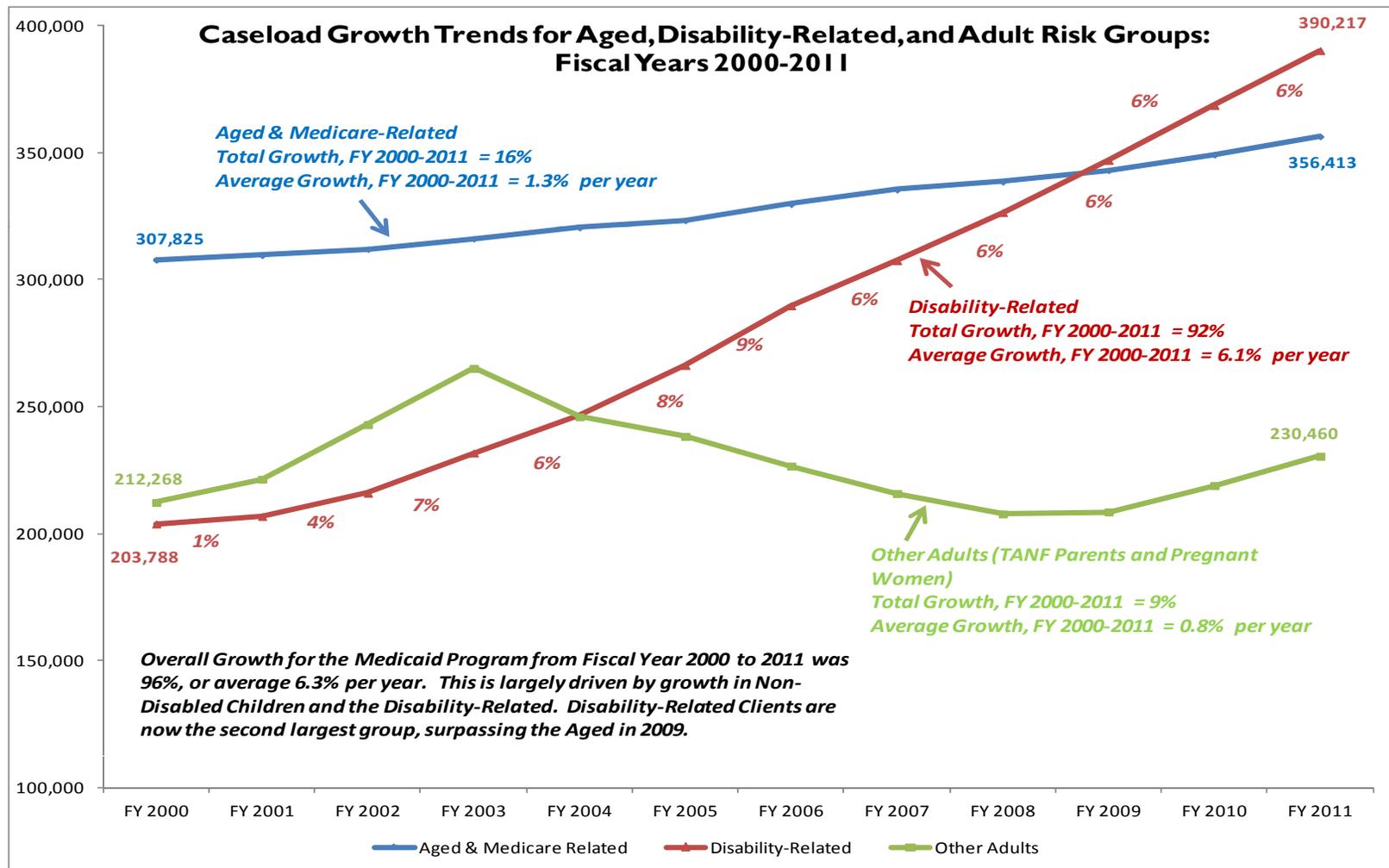
- Medicaid Caseload Trends
- Estimated Caseload Impact of Federal Patient Protection and Affordable Care Act
- Workforce Related Initiatives in draft DSRIP Menu

Medicaid Caseload Trends: Who Does Medicaid Serve?

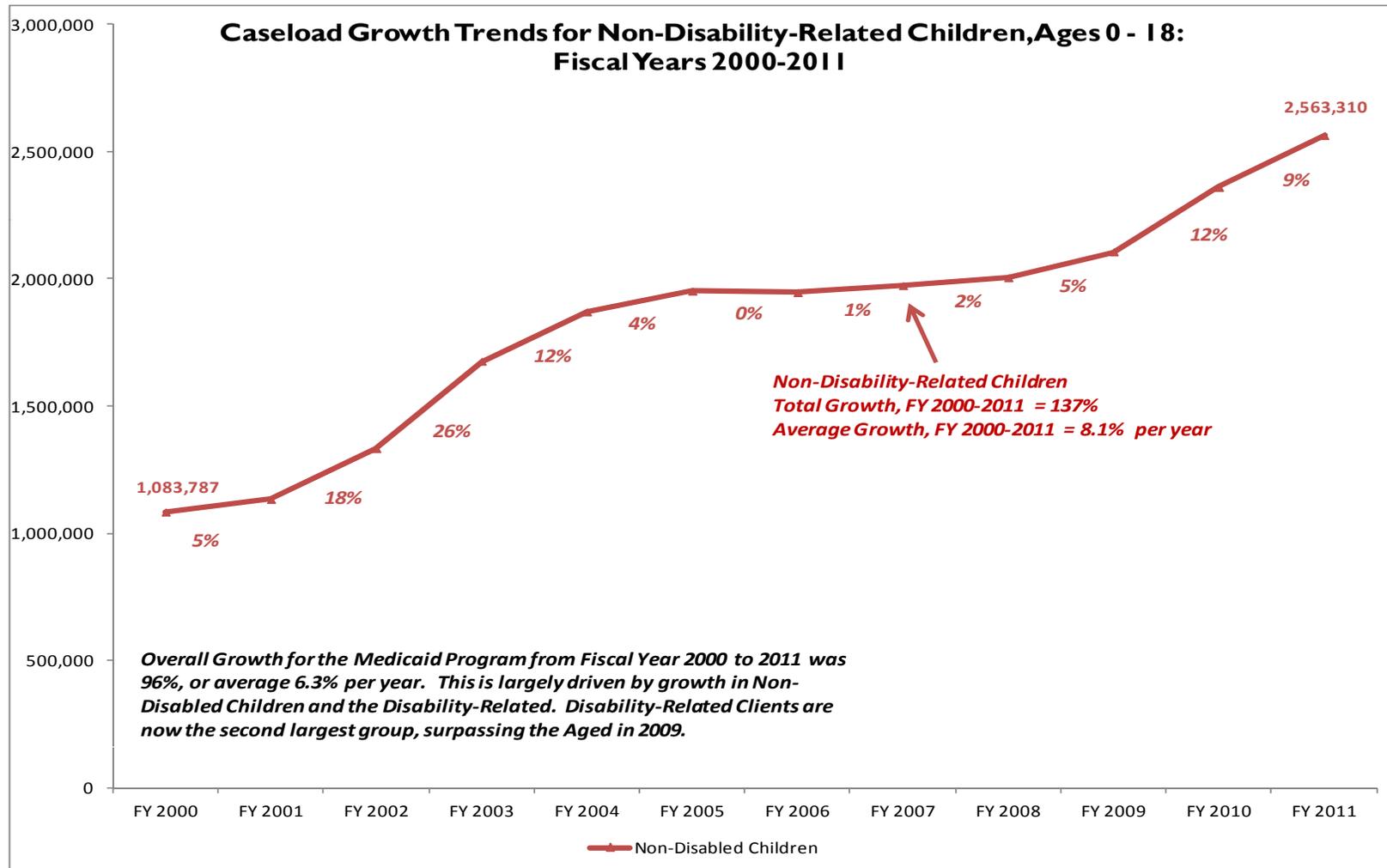
Texas Medicaid Caseload by Group, September 1979 - August 2011



Medicaid Caseload Trends by Risk Group: Aged, Disability-Related and Other Adults

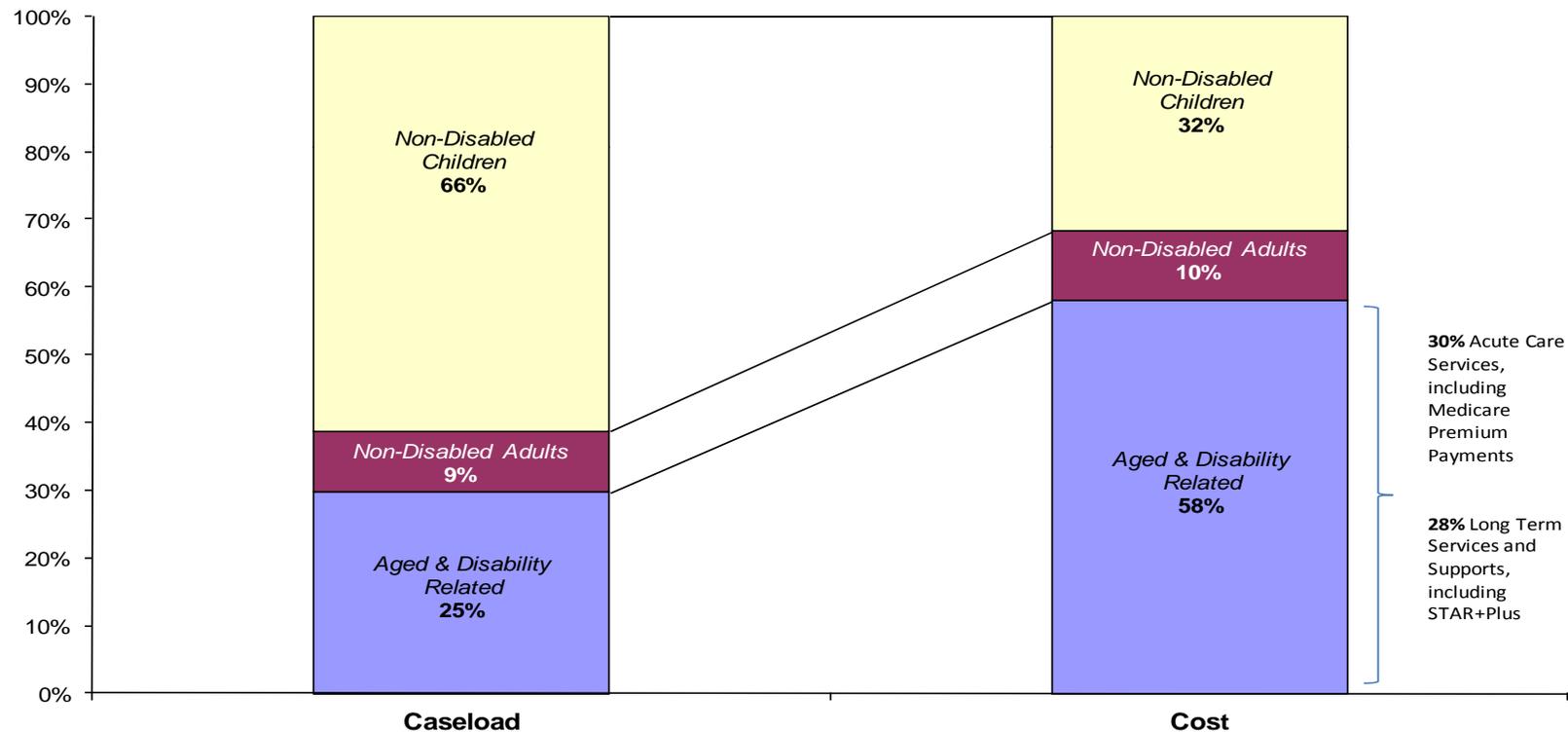


Medicaid Caseload Trends by Risk Group: Non-Disabled Children



Medicaid Caseload and Cost: Who Does Medicaid Serve at What Cost?

**Texas Medicaid Beneficiaries and Expenditures
Fiscal Year 2010**



Source: HHS Financial Services, 2010 Medicaid Expenditures, including Acute Care, Vendor Drug, and Long-Term Care. Costs and caseload for all Medicaid payments for full and non-full beneficiaries (Women's Health Waiver, Emergency Services for Non-Citizens, Medicare payments) are included. Children are all Poverty-Level Children, including TANF. Disability Related Children (under age 21) are in the Aged & Disability-Related Group.

Affordable Care Act

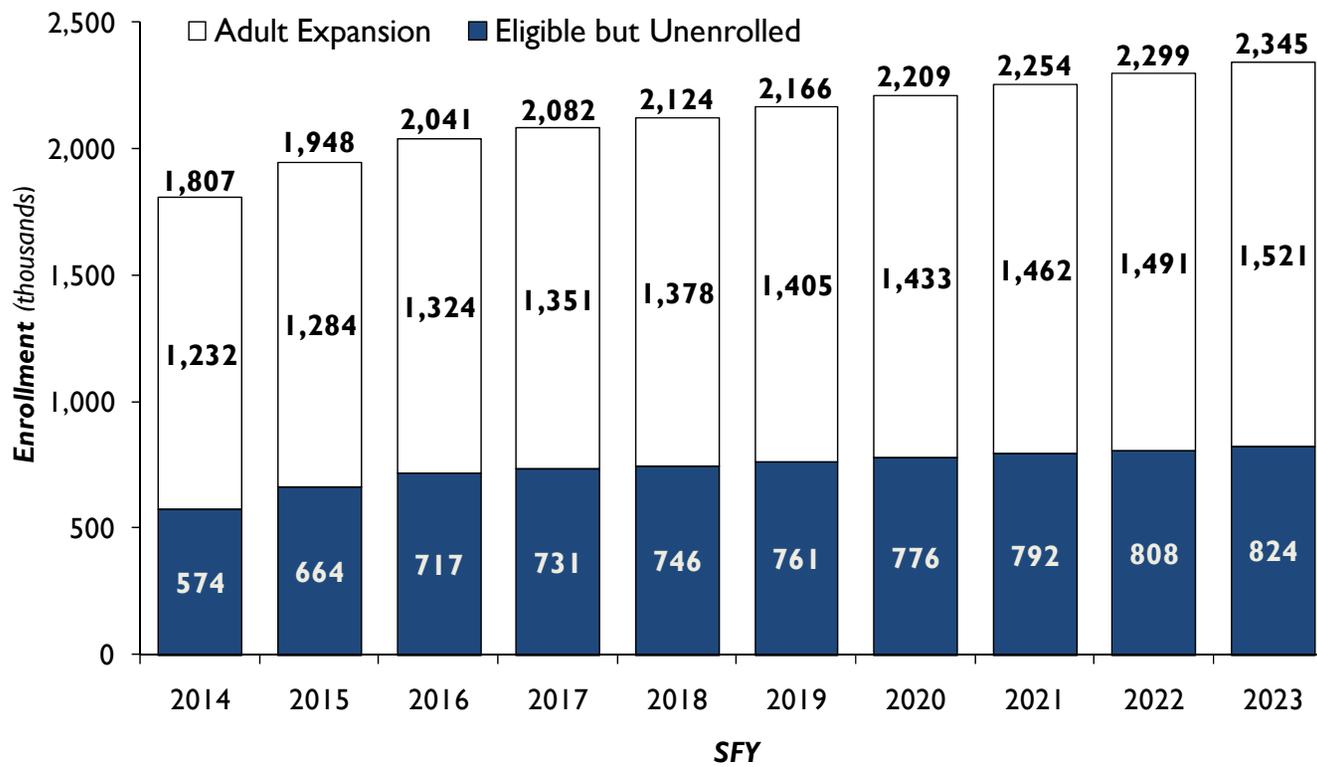
- The Patient Protection and Affordable Care Act was enacted on March, 2010.
- Health insurance expansion is accomplished through three initiatives:
 - Individual mandate
 - Employer-based health insurance
 - Medicaid expansion
- Texas will experience a Medicaid caseload growth from both newly eligible individuals and those individuals who are currently eligible but not enrolled.

Affordable Care Act

- Expands Medicaid eligibility to individuals under age 65 with incomes up to 133% of the Federal Poverty Level (FPL).
- New client populations in Texas include:
 - Parents and caretakers between 14% - 133% FPL
 - Childless adults up to 133% FPL
 - Emergency Medicaid expansion
 - Foster-care through age 25
 - Children, aged 6-18 between 100 and 133% FPL

Texas Medicaid Enrollment under PPACA

**PATIENT PROTECTION AND AFFORDABLE CARE ACT (PPACA)
HHSC Medicaid / CHIP Caseload Estimates,
State Fiscal Years (SFYs) 2014 - 2023**



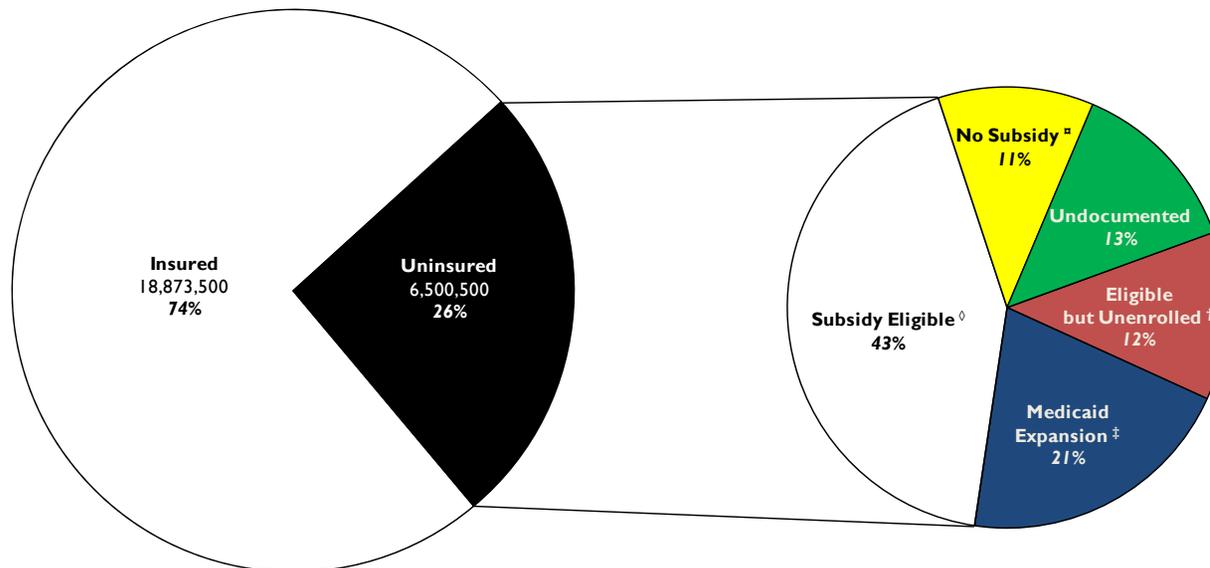
Source: Strategic Decision Support, Texas Health and Human Services Commission.

Texas Health Insurance Estimates (2010 Population)

TEXAS 2010 POPULATION Current — Insured and Uninsured, by Patient Protection and Affordable Care Act (PPACA) Subsidy Type

Current: *Insured & Uninsured*

Current: *Uninsured by Act Subsidy Type*



KEY

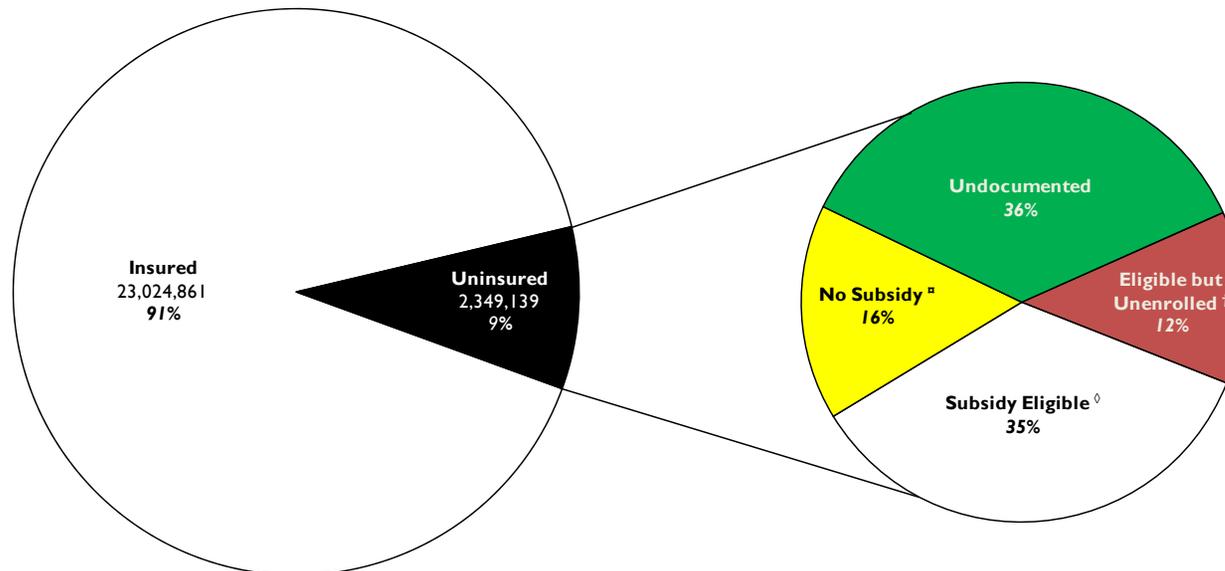
‡ **Medicaid Expansion** (adults <138% Federal Poverty Level (FPL)); † **Eligible but Unenrolled** (children <200% FPL)
 ◊ **Subsidy Eligible** (adults and children <400% FPL, including Lawful Permanent Residents (LPRs)); ◻ **No Subsidy** (>400% FPL, including LPRs)

Texas Health Insurance Estimates (2010 Population)

TEXAS 2010 POPULATION Under Act — Insured and Uninsured, by Patient Protection and Affordable Care Act (PPACA) Subsidy Type

Under Act: *Insured & Uninsured*

Under Act: *Uninsured by Act Subsidy Type*



KEY

† **Eligible but Unenrolled** (children < 200% Federal Poverty Level (FPL)) and (adults < 138% FPL)

◊ **Subsidy Eligible** (adults and children < 400% FPL, including Lawful Permanent Residents (LPRs))

▪ **No Subsidy** (>400% FPL, including LPRs)

Assessing ACA Impact on HHS Enterprise Provider Workforce Needs

- HHSC and DSHS will conduct an analysis of future provider workforce needs for HHS enterprise health services.
- The goal of the analysis will be to answer the following questions:
 - What are the current and future population needs and demands for the HHS enterprise health services system?
 - What is the current workforce capacity?
 - What is the anticipated future workforce capacity?
 - What capacity will be required in the future to meet demand?
 - What activities or strategies are needed to prepare the state health services system for future workforce needs?
- HHSC and DSHS are currently working on planning and development of the study.

Workforce Projects under the Transformation Waiver

- Under the Texas Healthcare Transformation and Quality Improvement Waiver, trended historic Upper Payment Limit (UPL) funds and additional new funds are distributed to hospitals and other providers through two pools:
 - **Uncompensated Care Pool** – costs of care provided to individuals who have no third party coverage for the services provided by hospitals or other providers.
 - **Delivery system Reform Incentive Payments (DSRIP)** – Support coordinated care and quality improvements through Regional Healthcare Partnerships (RHPs) to transform care delivery systems.
- DSRIP payments will be available for workforce development projects.

Workforce Related Initiatives: Workforce Projects in the DRAFT DSRIP Menu

- The DSRIP consists of 4 broad categories:
 - DSRIP Category 1: Infrastructure Development – i.e. expanding behavioral health access, and primary/specialty care access.
 - DSRIP Category 2: Program Innovation and Redesign – i.e. creating and implementing strategies to impact potentially preventable events, health promotion and disease prevention improvements.
 - DSRIP Category 3: Quality Improvements – i.e. prevention improvements and/or management of behavioral health admissions, diabetes, hypertension.
 - DSRIP Category 4: Population-focused Improvement – i.e. patient-centered care and care coordination.

Workforce Projects in the DRAFT DSRIP Menu Category 1: Infrastructure Development

Project Area:	Project:	Output:
Expand Behavioral Health Access	Develop workforce enhancement initiative(s) to support access to providers (i.e., physicians, psychiatrists, psychologists LMSW, LRC, LMFT) in underserved markets and Areas.	# of behavioral health providers
Expand Behavioral Health Access	Expand residency training slots for psychiatrists, child psychiatrists, psychologists and mid-level behavioral health practitioners.	# of residents trained, # mid-level providers trained
Expand Primary Care Access	Develop a system for primary care provider recruitment and retention.	# of primary care providers, # of primary care encounters
Expand Primary Care Access	Develop Workforce Enhancement Initiative(s) to Support Access to Providers in Underserved Markets and Areas (Nurse Practitioners, Physician Assistants, nurses, educators, etc.) to be integrated into primary care.	# of physicians trained, # of providers trained
Expand Specialty Care Access	Develop Workforce Enhancement Initiative(s) to Support Access to Providers in Underserved Markets and Areas.	# of specialty health providers

Workforce Related Initiatives: Workforce Projects in the DRAFT DSRIP Menu

- HHSC released the draft DSRIP menu and obtained stakeholder comments in April 2012.
- HHSC is reviewing stakeholder feedback, and will update the DSRIP menu based in part on the feedback in May 2012.
- HHSC will share the DSRIP menu with the Centers for Medicare and Medicaid Services (CMS) in June 2012.