



Presentation to the Senate Health and Human Services Committee: SB 7 Implementation

Chris Traylor
Chief Deputy Commissioner
Health and Human Services
Commission

Kay Ghahremani
Texas Medicaid/CHIP Director
Health and Human Services
Commission

August 14, 2014

Senate Bill 7 (83R) Overview

- S.B. 7, 83rd Legislature, Regular Session, requires the Health and Human Services Commission (HHSC) and the Department of Aging and Disability Services (DADS) to jointly design and implement an acute care services and long-term services and supports system for individuals with intellectual and developmental disabilities through managed care.
- Implementation began in September 2013 and the full redesign will roll out gradually over the next six years through 2020.

Current Managed Care Initiatives

- S.B. 7 included several expansions of Medicaid managed care, including:
 - STAR+PLUS Medicaid Rural Service Areas (MRSA) expansion
 - Integration of acute care for certain adults with intellectual and developmental disabilities (IDD)
 - Nursing facility carve-in
 - Children with disabilities, and
 - Dual Demonstration.

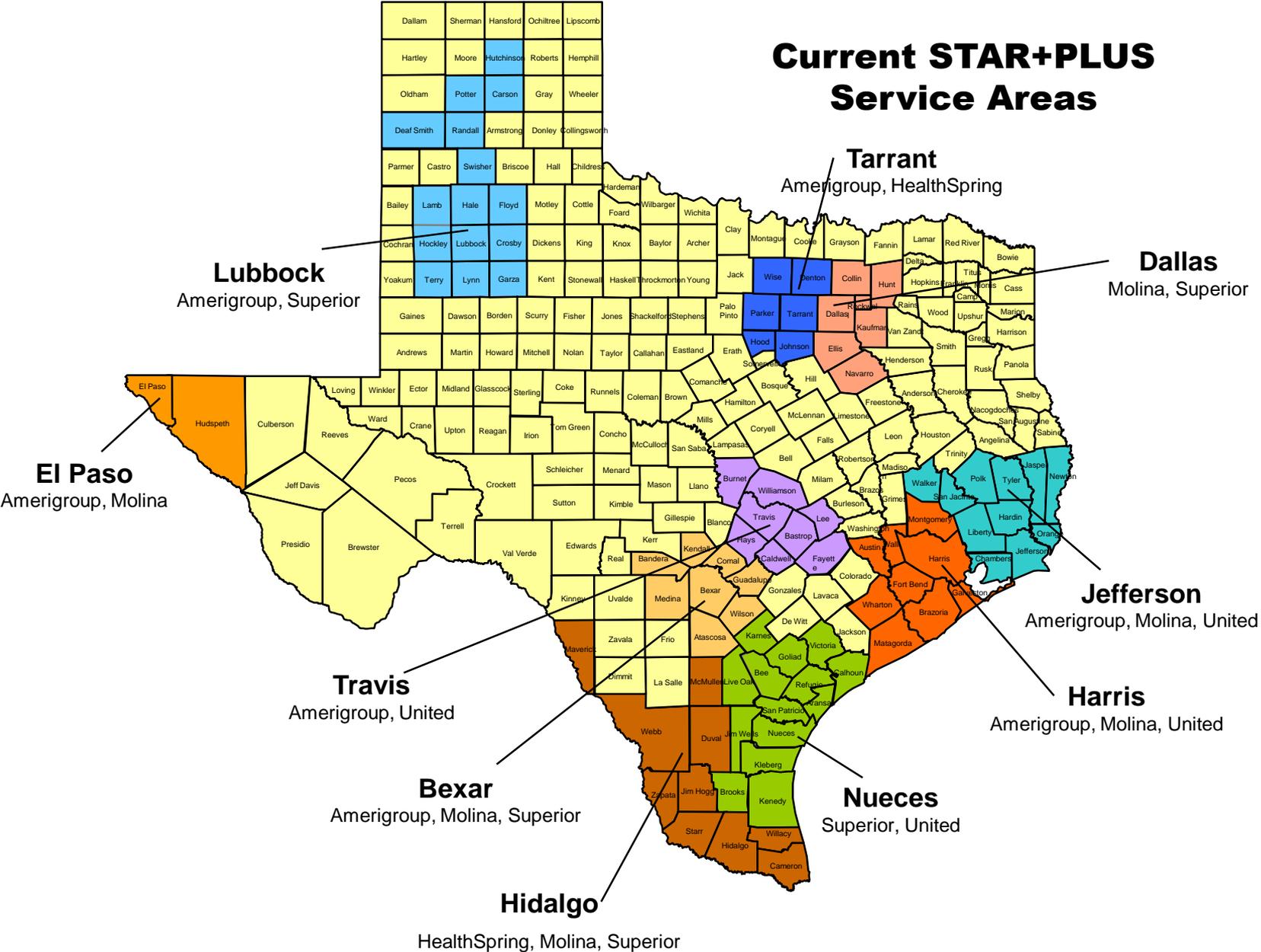
SB 7 Timeline: 2014-2020

- September 1, 2014
 - STAR+PLUS expands statewide and IDD acute care benefits will transition into STAR+PLUS.
- March 1, 2015
 - Nursing facility services will transition into STAR+PLUS
 - Community First Choice
 - Dual Demonstration
- September 1, 2016
 - STAR Kids and IDD pilot programs will be implemented.
- September 1, 2017
 - Determination regarding transition of Texas Home Living (TxHmL) benefits to STAR+PLUS will be made.
- September 1, 2020
 - Determination regarding transition of HCS, CLASS, DBMD, and community intermediate care facilities (ICF) in STAR+PLUS will be made.

STAR+PLUS Overview

- Delivery of acute care and long-term services and supports (LTSS) is integrated through a managed care system.
- Each member is enrolled in a managed care organization (MCO), the entity that develops a network of providers that deliver Medicaid managed care services.
- Main feature – service coordination
 - Specialized care management service is based on member need and performed by an MCO service coordinator.
- Current Service Areas:
 - Bexar, Dallas, El Paso, Harris, Hidalgo, Jefferson, Lubbock, Nueces, Tarrant, and Travis

Current STAR+PLUS Service Areas



STAR+PLUS Expansion

- Implementation date: September 1, 2014
- STAR+PLUS will expand statewide to the Medicaid Rural Services Areas (164 counties).
 - MRSA Central, MRSA Northeast, and MRSA West
- 412,000 members are currently served.
 - An estimated additional 80,000 members will be served in STAR+PLUS.
- An estimated 2,654 individuals on the interest list for CBA will be removed and immediately assessed for services through the STAR+PLUS waiver.

IDD Carve-In

- Implementation date: September 1, 2014
- Persons transitioning into STAR+PLUS for acute care services only:
 - Individuals receiving services in community-based intermediate care facilities for individuals with intellectual disabilities or related conditions (ICF-IID)
 - Individuals receiving services in certain DADS 1915(c) waiver programs:
 - Home and Community-based Services (HCS)
 - Community Living Assistance and Support Services (CLASS)
 - Texas Home Living (TxHmL)
 - Deaf Blind Multiple Disabilities (DBMD)
 - Examples of acute care services include physicians visits, hospital stays, lab and x-rays.
- Persons Excluded:
 - Individuals residing in a state supported living center
 - Dual eligibles who are in HCS, CLASS, TxHmL, DBMD, or in an ICF
- Persons Voluntary:
 - Children and young adults under age 21 receiving SSI or SSI-related benefits

Enrollment Activities for September 1, 2014 rollout

- May 2014
 - Clients were sent introduction information, including introduction letter, MCO comparison chart, and links to provider directories.
- June 2014
 - Clients were sent enrollment packets with provider directory, MCO comparison chart, enrollment form and frequently asked questions.
- August 15, 2014
 - Mandatory managed care clients must choose an MCO or HHSC will auto-assign the client to an MCO.
 - Clients may choose MCO by phone or mail, and may change at any time.
- September 1, 2014
 - MCO enrollment takes effect.

Nursing Facility Services Carve-In

- Implementation Date: March 1, 2015
- Nursing facility services will be provided through STAR+PLUS statewide.
- The goal of the carve-in is to improve the quality of care and promote care in the least restrictive, most appropriate setting.
- Approximately 56,800 nursing facility residents will transition to STAR+PLUS.

Nursing Facility Protections

- S.B. 7 requires MCOs to pay claims no later than 10 calendar days after the submission of a clean claim. MCOs' clean claim criteria will meet the criteria currently used by DADS.
- HHSC will set the minimum reimbursement rate paid to nursing facilities under STAR+PLUS, including the staff rate enhancement.
- HHSC will establish a portal through which nursing facilities may submit claims to participating MCOs.
 - Providers may choose to utilize the MCOs' claims portals, as well.
- Unlike the standard MCO 95-day filing deadline, nursing facilities will continue to have a one year claims filing deadline.

STAR Kids Program

- Implementation date: September 1, 2016
- The Request for Proposal (RFP) for establishment of the STAR Kids Medicaid managed care program has been posted.
- S.B. 7 directs HHSC to implement a Medicaid managed care program for children and young adults with disabilities.
 - Includes children and youth under age 21 who receive Supplemental Security Income (SSI) or home and community based waiver services.
- STAR Kids will provide all members with Medicaid State Plan services and service coordination.
 - These services include physician and hospital services, therapies, durable medical equipment (DME), nursing, pharmacy, and Personal Care Services (PCS).
- Through STAR Kids, individuals enrolled in the Medically Dependent Children Program (MDCP) will receive long-term services, in addition to Medicaid State Plan Services.
- Individuals under 21 that are enrolled in other waiver programs will receive Medicaid State Plan services and service coordination through STAR Kids, but will separately receive additional LTSS authorized through their waiver.
- STAR Kids will eventually incorporate all services provided through the Youth Empowerment Services (YES) waiver.
- Services not provided through STAR Kids:
 - Nursing facilities and intermediate care facilities for individuals with intellectual disabilities (ICF/IID)
- Children with SSI in foster care will continue to receive services through STAR Health
- Dental services will be covered through separate dental MCOs.

IDD Pilots

- Implementation date: no later than September 1, 2016
- S.B. 7 directs HHSC and DADS to develop and implement one or more pilot programs with private providers of IDD services to test capitated delivery service models.
- Specific requirements:
 - Statewide stakeholder input is required through development and implementation.
 - Capitated managed care strategies in pilots must accomplish specified goals.
 - DADS must analyze information from pilot providers and make recommendations regarding future IDD system redesign.
 - Pilot providers must coordinate ICF and waiver services and must work with MCOs to provide integrated service coordination (with acute care services).
 - Pilot providers must have a process in place to prevent and accept financial risk of inappropriate institutionalizations.
 - Participation in the pilots by persons with IDD is voluntary.

Attendant and Habilitation Services

- S.B. 7 directs HHSC to implement the most cost-effective option for delivery of basic attendant and habilitative services for individuals with disabilities under the STAR+PLUS program to maximize federal funding.
 - Habilitation services currently are only available in certain LTSS waiver programs, and most of these programs have interest lists.
- HHSC will submit a proposal to the Centers for Medicare & Medicaid Services (CMS) with an effective date of March 1, 2015, to deliver attendant and habilitative services to populations in the 1115 and 1915(c) waiver programs by utilizing existing service delivery and reimbursement models at the enhanced federal rate.

Dual Demonstration

- Implementation date: March 1, 2015
- The Texas Dual Demonstration project is a fully integrated managed care model for individuals who are enrolled in Medicare and Medicaid (dual eligibles).
- The goals of the project are to:
 - Have one health plan responsible for both Medicare and Medicaid services
 - Improve quality and individual experience in accessing care
 - Promote independence in the community
 - Allow shared savings between the state and federal government
- Received federal approval, including signing the memorandum of understanding with CMS in May 2014.

Dual Demonstration

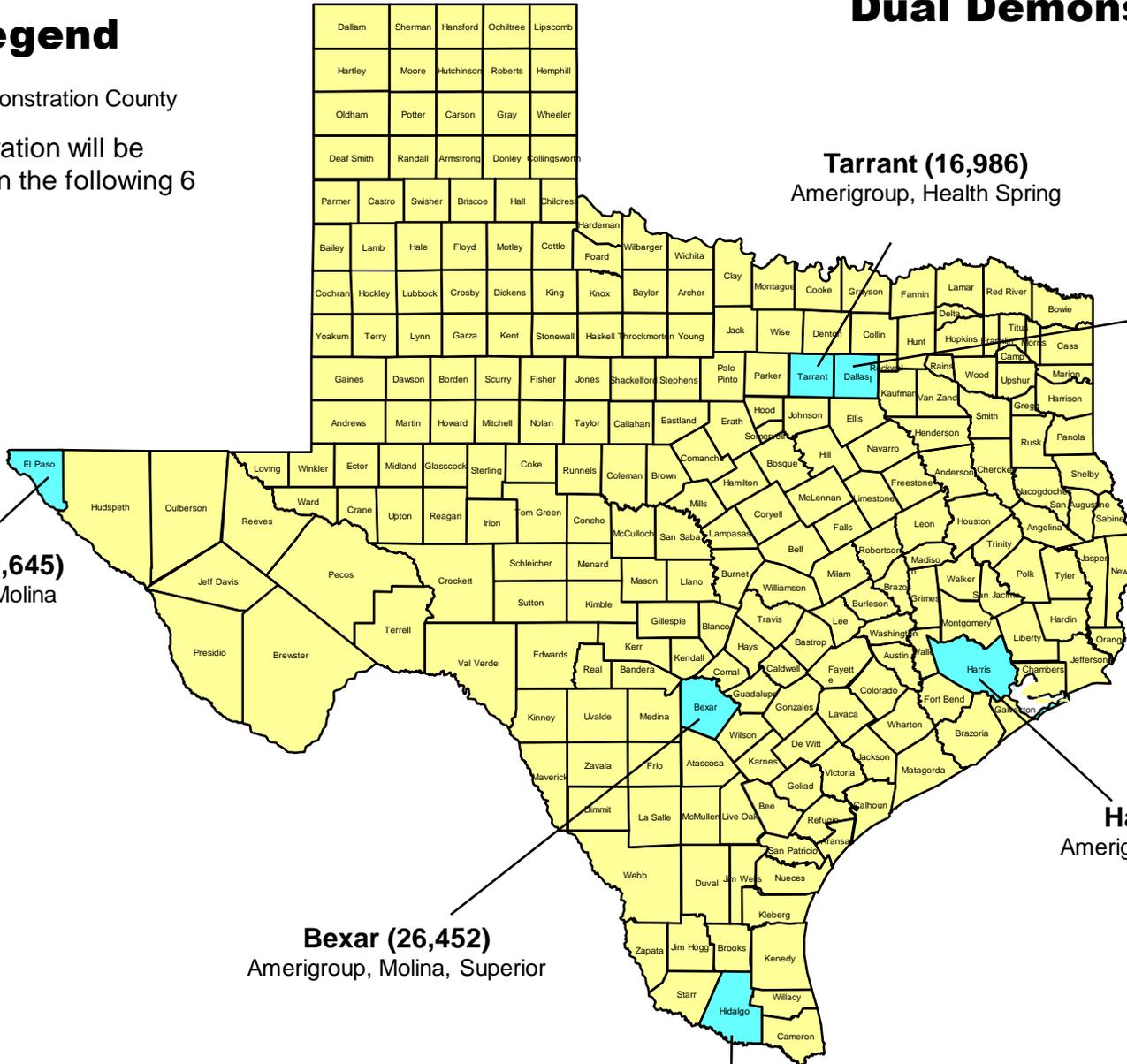
Legend

 Dual Demonstration County

The Demonstration will be implemented in the following 6 counties:

counties:

- Bexar
- Dallas
- El Paso
- Harris
- Hidalgo
- Tarrant



El Paso (19,645)
Amerigroup, Molina

Bexar (26,452)
Amerigroup, Molina, Superior

Hidalgo (27,090)
Health Spring, Molina, Superior

Tarrant (16,986)
Amerigroup, Health Spring

Dallas (27,941)
Molina, Superior

Harris (47,160)
Amerigroup, Molina, United

Impact to Dual Eligibles and Next Steps

- Access to a comprehensive network of acute care services covered under Medicare and long-term services under Medicaid
- Enrollment in the demonstration with the ability to opt-out
- The enrollment process will include:
 - Welcome letter 90 days prior to the start date
 - Notification of enrollment and the choice to opt out of the demonstration (60 and 30 days prior to the start date)
 - The option to opt out on a monthly basis
 - Documentation that fully informs individuals of the initiative
- Next Steps:
 - Developing a three-way contract for CMS, HHSC and the health plans
 - Reviewing additional opportunities for the integration of processes to align Medicare and Medicaid, including appeals, complaints, and enrollment

Advisory Committees and Stakeholder Input

- S.B. 7 created several committees to help advise HHSC and provide adequate stakeholder input on the expansion of managed care:
 - Intellectual and Developmental Disability System Redesign Advisory Committee
 - STAR Kids Advisory Committee
 - STAR+PLUS Quality Council
 - State Medicaid Managed Care Advisory Committee
- S.B. 58, 83rd Legislature, Regular Session, created the Behavioral Health Advisory Committee.
- All committees have been appointed and meetings are being held. Each upcoming meeting agenda and other advisory committee information can be found on the main HHSC website: <http://www.hhsc.state.tx.us/>

Public Updates and Information Posting

- HHSC hosted a series of managed care information sessions across the state to educate providers and consumers on several Medicaid managed care initiatives.
- STAR+PLUS Intellectual and Developmental Disabilities provider trainings are currently being held across the state June through August 2014.
 - These trainings will educate providers who serve individuals with IDD on STAR+PLUS managed care and what changes to expect with the September 1, 2014 expansion.

Public Updates and Information Posting

- HHSC created a Medicaid Managed Care Initiatives webpage on the HHSC website to keep the public informed of activities associated with the expansions:
 - A brief explanation of each expansion (e.g. STAR+PLUS, STAR Kids, etc.)
 - Resources:
 - Common questions and answers about Medicaid managed care expansion
 - Maps of service areas
 - Advisory committees
- Medicaid Managed Care Initiatives webpage is located at:
<http://www.hhsc.state.tx.us/medicaid/managed-care/mmc.shtml>

Pay-for-Quality Initiative

- In January 2014, HHSC implemented a pay-for-quality initiative that provides financial incentives and disincentives to MCOs participating in STAR, STAR+PLUS, and CHIP programs, by placing a maximum of 4% of the MCO's capitation at risk. MCOs will be measured against their previous year's performance on a number of metrics including:
 - Potentially preventable events (e.g., potentially preventable emergency room visits, potentially preventable hospital admissions, etc.)
 - Quality of care measures including well-child visits, prenatal and postpartum care, and diabetes management
- In 2014, MCOs are working together on collaborative performance improvement projects. HHSC is aligning these projects with 1115 Transformation Waiver initiatives to further enhance system-wide interventions.

Quality Initiatives

- HHSC and the Department of Aging and Disability Services (DADS) have developed quality indicators for nursing facilities in order to incentivize MCOs to provide a high level of care in these settings. HHSC is also working with MCOs, providers and consumers to develop new Medicaid managed care LTSS quality measures.
- S.B. 7 directs HHSC to allow MCOs increased flexibility to implement quality initiatives with their providers.
 - HHSC is leading a workgroup that includes MCOs to explore provider incentives.
- Texas statute requires HHSC to provide information to Medicaid and CHIP members regarding MCO performance during the enrollment process on outcome and process measures.
 - Each program service area has MCO report cards to allow members to easily compare the MCOs on specific quality measures.
 - Report cards are posted on the HHSC website and included in Medicaid enrollment packets, and updated annually.