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1115 Medicaid Transformation Waiver Project  
Status Report  
April 14, 2014



# What is the 1115 Medicaid Transformation Waiver Program?

- It is both a new way of paying hospitals for uncompensated care (UC) to achieve managed care savings, and a Delivery System Reform Incentive Payment (DSRIP) pool to pay providers that establish and deliver new or expanded services that achieve targeted improvement outcomes in access, cost-effectiveness and population health status.
- Only providers participating in a regional healthcare partnership are eligible for these payments.
- Participants must develop a regional plan identifying partners, community needs, proposed projects, and funding distribution.
- Each partnership must have one anchoring entity, that is the primary point of contact for HHSC in the region and is responsible for regional stakeholder engagement and the implementation and evaluation of the regional plan.



# Some Project Language

- Provider – only those participating in the DSRIP program
- CMS - Center for Medicaid and Medicare Services
- HHSC - Texas Health and Human Services Commission
- DY - Demonstration Year
- DSRIP - Delivery System Reform Incentive Payment
- Projects:
  - Category 1 - Infrastructure Development
  - Category 2 - Program Innovation & Redesign
  - Category 3 - Quality Improvements
  - Category 4 – Hospitals only: Population-focused Improvements
- Phases - to review and revise information and data in a cycle between CMS, HHSC, the Anchor and the providers
- IGT – State and local funds to match federal dollars ~40.7 to 59.3 ratio



# Report Content

- Who is involved
- Rules and Projects
- Payments and Estimates
- Process, Schedule and Anchor Team Activities
- Future expectations

<http://www.hhsc.state.tx.us/1115-waiver.shtml>



# Texas 1115 Medicaid Transformation Waiver Program 2011 - 2016



Learning to score home runs on curve balls and fast balls



# Who is involved

## League Slate

<u>Team Players - Always up at bat.....</u>	<i>Providers and other key stakeholders</i>
<u>Umpire .....</u>	<i>Texas Health and Human Services Commission (HHSC)</i>
<u>Pitchers and Outfielders .....</u>	<i>Center for Medicaid Services (CMS)</i>
<u>Catchers, Base Coaches, and Shortstops...</u>	<i>The Anchor Team</i>
<u>Franchise Owner and Partners.....</u>	<i>RHP18 Anchor - Collin County, Grayson County and Rockwall County governments, and local providers</i>
<u>Investors.....</u>	<i>Local Funds - Inter-Governmental Transfer (IGT); State and Federal funds</i>



# Rules

## League Guidelines: Characteristics of High Performing Health Systems

1. Access to care is easy
2. All necessary clinical information is always available at the point of care
3. Care is fully coordinated across systems and providers
4. There is clear accountability within and across settings
5. All providers are culturally competent and fully responsive
6. Providers work together to achieve high quality outcomes
7. There is evidence of continuous innovation and learning



# Rules and Projects

## Game Books and Pre-Season Trials

### Program Funding and Mechanics Protocol (PFM)

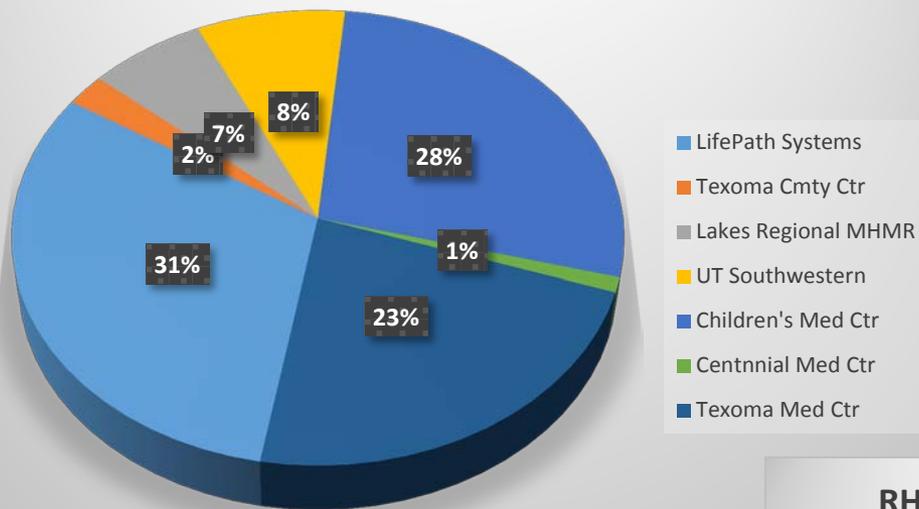
Pre-Game Season was Phase 1: Required clarification edits and technical corrections. The final valuation process occurred from April through September of 2013, with some changes in the final determination of numbers for DY2 and DY3.

#### Jersey Numbers

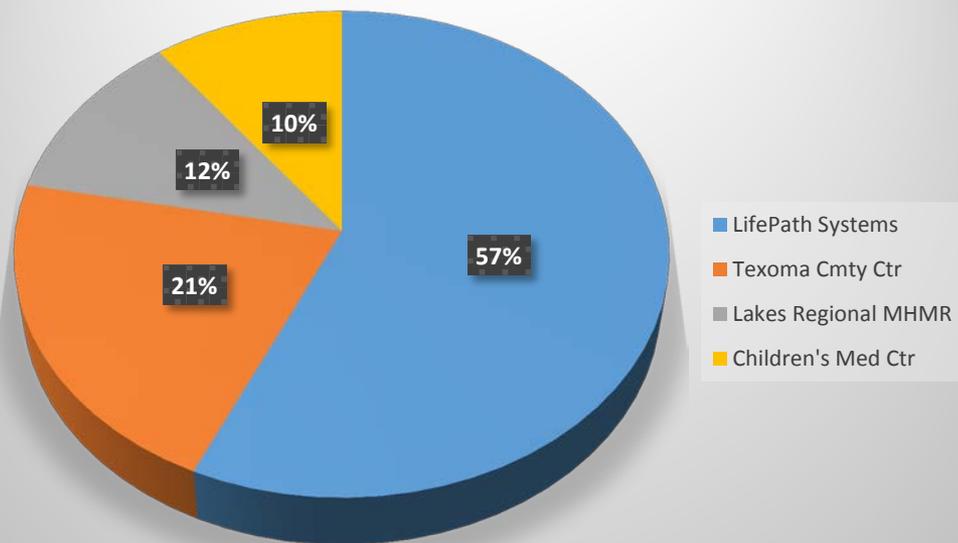
<u>Player</u>	<u>Number of DSRIP Projects</u>				<u>Project Values &amp; Percents</u>		
	<u>Category</u>	<u>Category</u>	<u>Category</u>	<u>Category 4</u>	<u>Final</u>	<u>Original</u>	<u>Percent Hits</u>
	<u>1</u>	<u>Category 2</u>	<u>3</u>	<u>Measures</u>			
LifePath Systems	1	3	4		45,371,511	46,519,315	98%
Texoma Cmty Ctr	4	3	7		11,285,532	11,285,532	100%
Lakes Regional							
MHMR	2	2	4		9,448,345	9,302,657	102%
UT Southwestern	1		2		5,853,760	12,537,640	47%
Children's Med Ctr	4	1	5	6	28,032,703	28,032,703	100%
Centnnial Med Ctr	1		2	2	966,240	966,240	100%
Texoma Med Ctr	1		1	8	19,766,518	20,000,000	99%
<b>Totals</b>	14	9	25	16	<b>120,724,609</b>	<b>128,644,087</b>	<b>94%</b>
						<i>Average</i>	92%



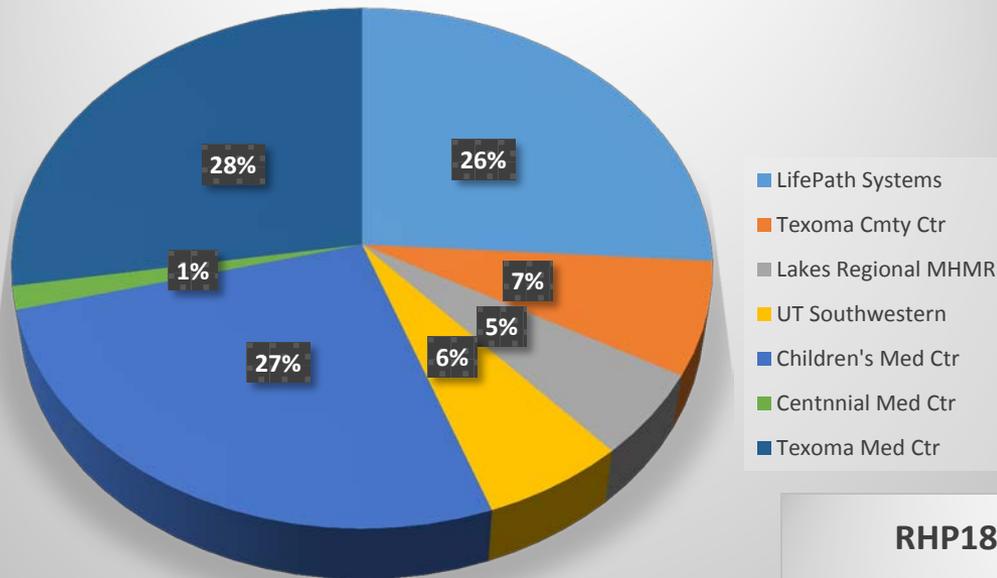
### RHP18 Proportionate Share Category 1 Values By Provider



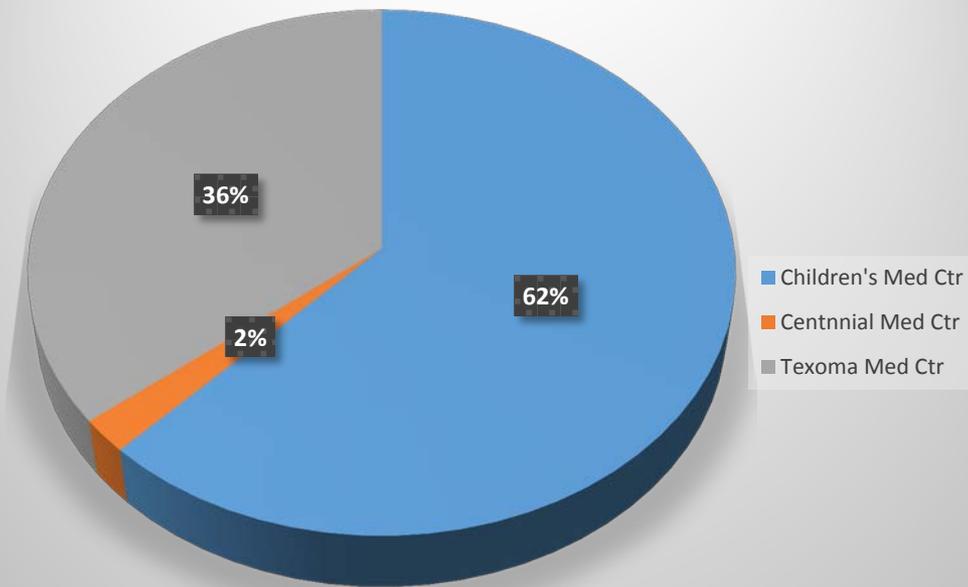
### RHP18 Proportionate Share Category 2 by Provider



### RHP18 Proportionate Share Category 3 by Provider



### RHP18 Proportionate Share Category 4 by Hospital



# Payments and Estimates

## DSRIP Funds Allocated Compared to Final Valuation

<b>RHP18 DSRIP ORIGINAL ALLOCATIONS APRIL 8, 2013 Compared to FINAL</b>					
<u>DY1</u>	<u>DY2</u>	<u>DY3</u>	<u>DY4</u>	<u>DY5</u>	<u>TOTALS &amp; PROPORTIONS</u>
\$ 6,095,208	\$ 28,037,958	\$ 32,499,651	\$ 34,767,068	\$ 37,790,292	\$ <b>139,190,177</b>
<b>\$4,453,388</b>					<i>Equals 1.2% of State's total of:</i>
					\$11,418,000,000.00
			Original proposed total DSRIP value incl. DY1	\$	133,097,475
			As a percent of original allocation		95.62%
			Approximate final total value incl. DY1	\$	<b>125,177,997</b>
			As a proportion of original proposed DSRIP Value		94.05%
				\$	<b>120,724,609</b>



# Payments and Estimates

## Uncompensated Care for Waiver Participation Hospitals Estimated Payments

<u>Uncompensated Care Pool Hospitals</u>	<u>DY2</u>	<u>DY3</u>	<u>DY4</u>	<u>DY5</u>	<u>TOTAL</u>
Texas Health Presbyterian Hospital Plano	\$ 982,800	\$ 995,025	\$ 995,025	\$ 995,025	\$ 3,967,875
Children's Medical Center of Dallas	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 120,000,000
Texoma Medical Center	\$ 18,082,376	\$ 18,082,376	\$ 18,082,376	\$ 18,082,376	\$ 72,329,504
Centennial Medical Center	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 6,000,000
<b>TOTALS</b>	<b>\$ 50,565,176</b>	<b>\$ 50,577,401</b>	<b>\$ 50,577,401</b>	<b>\$ 50,577,401</b>	<b>\$ 202,297,379</b>
IGT Required	\$ 20,580,027	\$ 20,585,002	\$ 20,585,002	\$ 20,585,002	\$ 82,335,033



# Process, Schedule, Anchor Team Activities

## Game One - First Half

- Warm-Up:** Phase 3: Quantifying Milestones and Metrics for DY2
- First Inning:** Phase 2: Quantifying Patient Impact (QPI)
- Second Inning:** Phase 4  
Cleaning all Milestones and Metrics, Verifying values, IGT
- Third Inning:** DY2 Reporting and Payment Process  
(August & October 2013)
- Fourth Inning:** Category 3 Overhaul



# Payments and Estimates

## DY2 DSRIP Payments Status

<b><u>DY2 DSRIP Payments</u></b>					
<b><u>Category</u></b>	<b><u>Available</u></b>	<b><u>Paid August</u></b>	<b><u>Paid October</u></b>	<b><u>Total</u></b>	<b><u>Remaining</u></b>
1 & 2	\$ 22,455,586	\$ 6,820,218	\$ 14,724,897	\$ 21,545,115	\$ (910,471)
3	\$1,536,610	\$731,720	\$720,890	\$1,452,610	(\$84,000)
4	\$ 403,730	\$ 100,000	\$ 303,730	\$ 403,730	\$0
<b>Totals</b>	<b>\$ 24,395,926</b>	<b>\$ 7,651,938</b>	<b>\$ 15,749,517</b>	<b>\$ 23,401,455</b>	<b>\$ (994,471)</b>
			<b>IGT to date</b>	<b>\$ 9,524,392</b>	<b>\$ 404,750</b>
			Future IGT total	\$ 9,929,142	
			Original Estimate	\$ 10,757,898	
			Difference	\$ (828,756)	
			Total DSRIP	\$ 24,395,926	



# Process, Schedule, Anchor Team Activities

## Game One – Second Half

**Fifth Inning:** Mid-Point Assessment

**Sixth Inning:** DY3 Reporting and payment process  
(April & October 2014)

**Seventh Inning:** Mid-Point Assessment results – prepare for DYs 4 & 5

**Eighth Inning:** Modifications for DYs 4 & 5  
(value changes, QPI modifications, Cat3 review)

**Ninth Inning:** Finalize Waiver Plan Document



# Process, Schedule, Anchor Team Activities

## Time Table

DY4 October 2014 – September 2015

DY5 October 2015 – September 2016

DY6 In planning stages (2016-17)

## Local Events

RHP18 Learning Collaboratives

DSRIP Tracker (Performance Logic)

RHP18 Website

Integrated Care & Medical Home Models

Provider and RHP-wide Quality Improvement Activities

## Other League Activities

Statewide Anchors communications

Activities associated with Pay for Reporting

Infrastructure Development

RHP-wide and Inter-Provider Networks

Relationships between projects

Cooperation with other RHPs



# Summary and Questions

1. Successful Demonstration Year 2
2. In the top of the fifth inning of game one – mid-year review
3. Meeting milestones
4. Receiving payments
5. Prepared for DY3 reporting starts in April
6. Providers and anchor team routinely communicating
7. Providers networking with each other and other key stakeholders
8. Progress in meeting required quality improvement activities, learning collaboratives, website and tracking progress
9. Preparing for mid-year review and DY4 and DY5 reviews
10. Anticipating final revisions to the Waiver Plan late 2014



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