



TEXAS HEALTH AND HUMAN SERVICES COMMISSION

## **Health and Human Services Commission Stakeholder Public Forum**

**September 10, 2007  
2:30 p.m. to 4:30 p.m.**

**Brown Heatly Building, Public Hearing Room  
Texas Health and Human Services Commission  
4900 North Lamar Boulevard  
Austin, Texas**

**September 12, 2007  
9:30 a.m. to 11:30 a.m. CST - Conference Call**  
Email [HHSCExternalRelations@hhsc.state.tx.us](mailto:HHSCExternalRelations@hhsc.state.tx.us) to sign up.

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Strategic Initiatives for Frew  
H.B. 109 Implementation

Medicaid/CHIP Updates

- Medicaid Reform
- Foster Care Model Update
- Medical Transportation Program Transfer
- SCHIP Reauthorization
- Nurse-Family Partnership

Contact: Taylor Coffey, External Relations Division, (512) 487-3300, Health and Human Services Commission, 4900 N. Lamar Blvd., Austin, TX 78751-2316.

This meeting is open to the general public. No reservations are required for the Austin forum, and there is no cost to attend this meeting.

People with disabilities who will need auxiliary aids or services for this meeting are asked to call the External Relations Division at (512) 487-3300 at least 72 hours before the meeting.

# Keep in touch with HHSC

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## E-mail Updates

A new subscription e-mail service lets you know when new information is posted on HHS agency websites. The service allows subscribers to select items of interest from a menu of categories covering all five Texas health and human services agencies. When new information is posted to the Internet about those topics, the user will receive an e-mail notice.

It's easy to subscribe to the new service and it's open to anyone. Simply visit any one of the five health and human services agency websites (HHSC, DFPS, DARS, DSHS, or DADS) and click on this logo:



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## In Touch Newsletter

While you're signing up for the email service, don't forget to sign up for In Touch, the HHSC Stakeholder newsletter.



In Touch includes information on upcoming HHSC stakeholder forums, articles of interest to stakeholders, an archive of Questions and Answers, and links to useful HHS web resources.

You can view current and past issues of In Touch on the internet at:  
<http://www.hhsc.state.tx.us/stakeholder>.



## ***Frew Strategic Medical and Dental Initiatives***

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**September 2007**



## **Background**

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- House Bill 15 appropriated \$150 million in general revenue
- This funding is part of the corrective action plan to increase access to services and providers for children under the age of 21.



## Impacts of Increased Funding

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The cumulative effect of increasing provider payments, implementing corrective action plans, and supporting strategic initiatives is anticipated to:

- ensure adequate access to health care services and
- utilization of appropriate and necessary health care services by Medicaid enrollees under the age of 21.

Distinct Impacts or objectives include:

- Increase number of children who receive THSteps medical and dental check-ups
- Increase participation of medical and dental providers
- Improve appropriate utilization of medically necessary health care services
- Improve coordination of care

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## Results of Funding

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Projects or initiatives to be funded by HHSC from the \$150 million will be intended to result in fundamental or critical improvements in the Medicaid program

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## Structured Process

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- HHSC will use a structured process to consider and assess proposed initiatives:
  - to support sound and cost effective determinations of which specific initiatives are funded and
  - in order to maximize the impacts these funds will have on increasing access to health care services for children.

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## Primary Criteria

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- The primary criteria against which proposed initiatives will be assessed include:
  - Whether the proposal materially supports the achievements of one or more of the established objectives,
  - Whether the scope and impact of the initiative would produce meaningful results, and
  - The extent to which positive results can be demonstrated or reasonably expected.

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## Additional Criteria

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- Feasibility (can be operationalized and implemented);
- Measurable (can be assessed for accountability);
- Value added or cost effective;
- Likelihood of success;
- Number of children impacted by the proposal; and
- Federal match opportunity (while not a requirement, this is a consideration)

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## Next Steps

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- HHSC has formed an interagency group to prioritize projects, for operational planning, to establish timelines and work plans for select projects
- HHSC will establish an external technical advisory committee to directly engage stakeholders such as plaintiffs' attorneys, the medical, dental, advocacy and academic communities in the process of determining which initiatives to fund.
- Additional public meetings

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## Timeline

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- HHSC held a public meeting to hear ideas to fund using the \$150 million– August 8, 2007
- HHSC interagency and external technical advisory group prioritizes and recommends funding of select initiatives--- First Quarter of SFY 2008 and on-going
- HHSC submits amendments to the *Frew* Expenditure Plan to the Governor and LBB for approval to fund specific initiatives– First quarter of SFY 2008 and ongoing



## **House Bill 109**

### **CHIP Eligibility and Enrollment Changes**

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**September 2007**



## **Background**

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### **Children's Health Insurance Program (CHIP) H.B.109 Changes**

- These changes include:
  - Allowing a child care deduction
  - Increasing asset limits
    - \$10,000 for households with income above 150% FPL
    - Fair Market Value Vehicle exemptions increase to \$18,000 and \$7,500
  - Increasing the continuous eligibility period
    - Up to 12 months continuous coverage
    - Income check required for households with income above 185% FPL during the 6<sup>th</sup> month of coverage
  - Redefining the 90-day wait period policy and who is subject to the wait.
    - 90 day wait only applies to children with private health insurance in 90 days prior to the application date.

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## HB109 Implementation Phase A

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- July 2007
  - Identified families with assets and income over the old limits who have verified child care expenses.
  - Reviewed list of cases to determine if families would now be eligible under the new rules.
  - If CHIP eligible, the Federal Poverty Level (FPL) was manually recalculated and eligibility granted with a new 12 month segment.

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## HB109 Implementation Phase A (continued)

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- August 2007
  - Implemented MAXeCHIP System and Process Changes
  - Maximus completed conversion activities as outlined in the following table:

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## HB109 Implementation Phase A (continued)

HB109	HB109 Change Description
Chip Income Test	Determine Household FPL using the family's "net" income amount (gross income minus verified child care expenses).
CHIP Ninety Day Wait Period	The 90 day waiting period only applies to children who receive private health insurance in the application month or within the last 90 days and do not have good cause.
CHIP Enrollment Period	CHIP eligible families will now receive 12 months continuous coverage.
CHIP Enrollment Fees	Families with income less than or equal to 150 % FPL will no longer be required to pay an enrollment fee
CHIP Cost Sharing Caps and Thresholds	The Cost Sharing Cap and Threshold amounts will now be calculated using "net" income and be given a 12 month enrollment period.

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## HB109 Implementation Phase A (continued)

- August 2007
  - Updated HHSC systems, Texas Integrated Eligibility Redesign System (TIERS) and Legacy, to include the new eligibility rules
  - Updates were made to :
    - The Self Service Portal
    - All client materials (correspondence and applications) and
    - HHSC websites

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## HB109 Implementation Phase B

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- Implementation of Phase B, 6-month income check, is scheduled for February 2008.
- HHSC delivered the requirements for Phase B to Maximus
- Meetings are scheduled during September to develop a draft charter

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## Links

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- CHIP HB109 information  
[http://www.hhsc.state.tx.us/chip/CHIP\\_Requirements\\_070507.html](http://www.hhsc.state.tx.us/chip/CHIP_Requirements_070507.html)
- HHSC information - <http://www.hhsc.state.tx.us/>
- CHIP information - <http://www.chipmedicaid.org/>

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## HHSC Stakeholder Public Forum

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### Medicaid Reform

Maureen Milligan, Deputy Chief of Staff

September 10, 2007



### Reform Goals

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- **OVERARCHING GOAL:** Optimize investment in health care to ensure more efficient use of available funding and best health outcomes for Texans.
  - Protect and optimize Medicaid funding
  - Reduce the number of uninsured Texans
  - Focus on keeping Texans healthy
  - Establish infrastructure to facilitate accomplishment of reform goals

- With Senate Bill 10 authorization, HHSC is preparing to submit a Section 1115 waiver request to the U.S. Department of Health and Human Services
  
- Waiver Process Includes the Following:
  - Concept Paper
  - Waiver Submission
  - Special Terms and Conditions (STCs)

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- Waiver Process Timeline and Detail:
  - Concept Paper
    - Fall 2007
    - Level of Detail—Outline of target populations, delivery systems, benefits, sources of state and general financing.
  - Waiver Submission
    - Winter 2007
    - Level of Detail—More specific information and data to support key items above. Waiver approval can precede final Special Terms and Conditions (STCs).

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## Waiver Process – Timeline

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- **Special Terms and Conditions (STCs)**
  - Following waiver approval
  - Level of Detail
    - Program Requirements
    - General Reporting Requirements
    - Operation Policies and Requirements
    - Financial Requirements
    - Monitoring Budget Neutrality
    - Evaluation Framework

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## Coverage Considerations

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- **200% FPL: 2007 HHS Poverty Guidelines**
  - 1 -- \$20,420/annual    \$1,701.67/month
  - 2 -- \$27,380/annual    \$2,281.67/month
  - 3 -- \$34,340/annual    \$2,861.67/month
  - 4 -- \$41,300/annual    \$3,431.67/month

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## Summary of Texas Uninsured Data

### Who Are the Uninsured in Texas?

#### Summary of 2006 CPS Data on Uninsured Citizen and Legal Permanent Resident Adults with Incomes <200% FPL:

- 60% (2.1 million) of the total uninsured adult population have incomes at or below 200% FPL.
- 51% of these adults (1.1M) are between the ages of 19 and 34.
- 55% (1.2M) are childless adults and 45% (960,000) are parents.
- 62% (592,000) of all uninsured parents are females.
- 60% (642,000) of all uninsured male adults are childless

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## Summary of Texas Uninsured Data

- Uninsured parents are generally employed:
  - 88% of male parents
  - 50% of female parents
- Uninsured childless adults are less likely to be employed
  - 64% of male childless adults
  - 41% of female childless adults
- 50% (483,000) of all uninsured parents have children enrolled in either Medicaid or SCHIP.
  - These parents are generally older, 56% (272,000) are between 34 and 64 years of age.
  - 63% (306,000) of these parents are females.

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## **Benefit Considerations**

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- Focus on coordination with Employer Sponsored Insurance (ESI), and Subsidies for basic benefits
- Identify Premium Subsidy Amount
- Identify Minimum Basic Benefit
- Support market flexibility re: benefits
- Support choice without overwhelming enrollees
- Identify availability of existing health care products or coverage options
- Cost-sharing and Deductibles
- Health Savings Accounts (HSA)
- Sliding Scale Premium Subsidies

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## **Design and Delivery Considerations**

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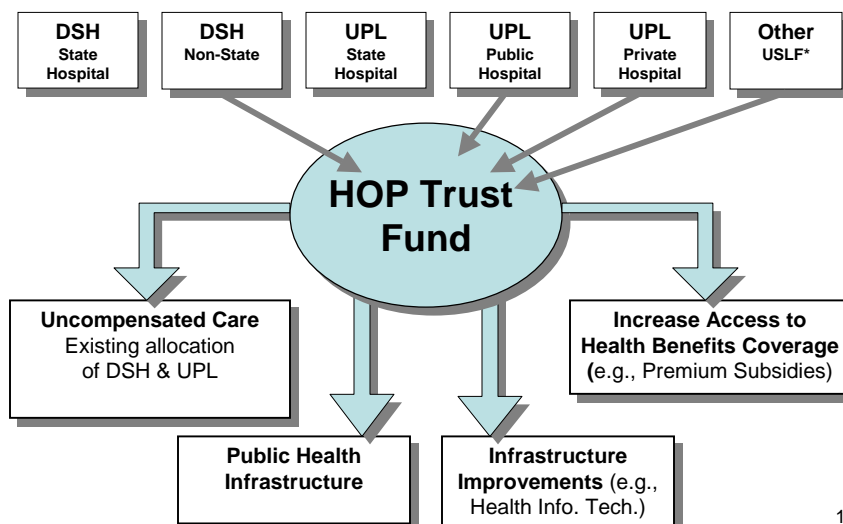
- Premium Based Coverage Options
  - Existing Products
  - Other Products
- Other Coverage Options
- Sliding Scale Premiums
- Coordination with Existing Programs
- Maximize Employer Sponsored Insurance (ESI)

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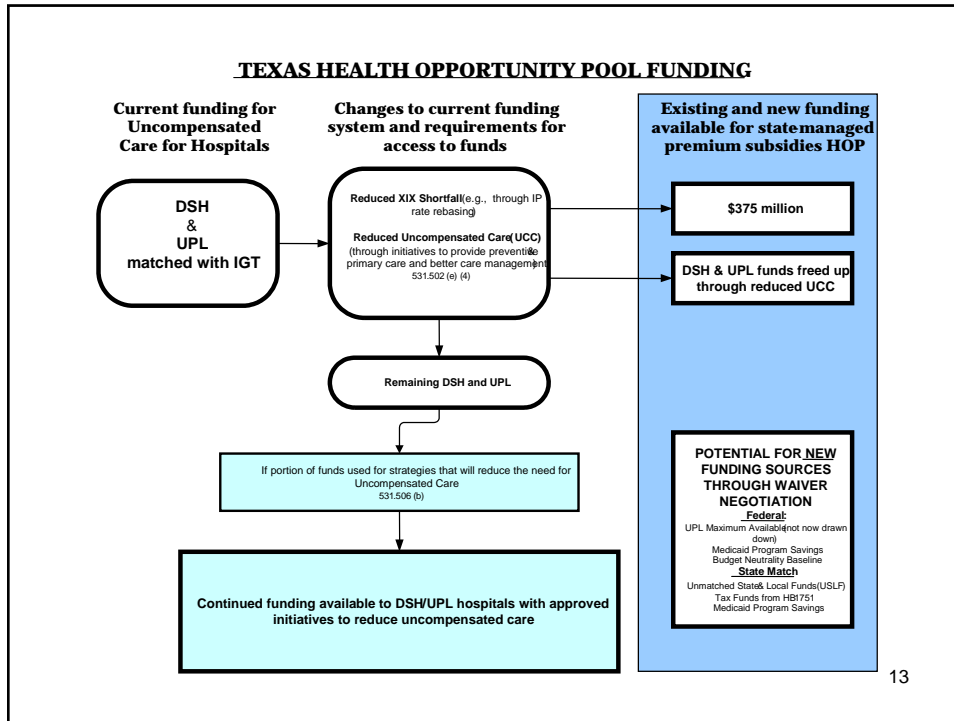
- **Protect and Leverage Federal Funds**
- **Negotiate with CMS re: budget neutrality, available federal funds, and trends**
- **Identify Unmatched State and Local Funds**
  - GR funded programs
  - Hospital and Hospital District programs
  - County and Municipal programs
- **Other HOP funds**
  - Offset from Rebasing
  - Offset from Reduced Uncompensated Care
  - Dedicated funding

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\*Certified Public Expenditures may be utilized.




**TEXAS**  
 Health and Human Services Commission

**Medicaid Reform Input and Information**

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- Medicaid Reform Legislative Oversight Committee
- HHSC Council Subcommittee on Medicaid Reform
- Stakeholder Forums
- Targeted Public Meetings
- Other (suggestions welcome)

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## Information About Medicaid Reform

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- Website
  - <http://www.hhs.state.tx.us/Medicaid/Reform.shtml>
  - E-mail alerts
  - Updated information

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## Contact Information

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Deputy Chief of Staff  
[Maureen.Milligan@hhs.state.tx.us](mailto:Maureen.Milligan@hhs.state.tx.us)  
(512) 424-6925

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## Foster Care Managed Care Update

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September 2007



## Foster Care Managed Care

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- Finalized program name: STAR Health
- Timeline Status: HHSC anticipates making an announcement regarding the operational start date by the end of September of 2007. Enrollment activities **may** begin in March 2008.
- Provider Recruitment Strategy: HHSC in conjunction with DFPS developed an exhaustive list of providers who currently service the Foster Care children. Superior is using this list along with those developed by their subcontractors as the foundation of their recruitment efforts.
- Communications Strategy: HHSC, DFPS and Superior conducted informational meetings during the months of June, July and August. The meetings focused on an overview of the managed care model from the perspective of a provider, residential care facility and child-placing agency. HHSC and DFPS are currently strategizing on methods to communicate to the caregiver and kinship population.

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## Medical Transportation

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**September 2007**



### **An Overview of Medical Transportation Program (MTP)**

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To provide cost-effective non-emergency transportation to categorically eligible Medicaid recipients and Children with Special Health Care Needs (CSHCN) clients who **do not** have any other means of transportation to access medically necessary health program allowable services.

## Eligibility Criteria

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MTP provides services to eligible recipients and their attendant.

Clients must be covered by at least one of the following programs:

- **Medicaid**
- **Children with Special Health Care Needs (CSHCN)**

## Legislative Update

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Sections 3 and 32, S.B. 10, 80<sup>th</sup> Legislature,  
Regular Session, 2007

The administration and operation of the Medical Transportation Program (MTP) is transferred from the Texas Department of Transportation (TxDOT) to the Health and Human Services Commission (HHSC) no later than September 1, 2008. Anticipate the MTP will be transferred to HHSC on April 30, 2008.

## Implementation Update

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HHSC has contracted with MTG Management Consultants for the development of a comprehensive Transition Plan.

The goal is for the transition to be transparent to the clients and contractors with no interruption of service.

## Implementation Update Cont.

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Work Plan is to:

- facilitate communication between HHSC and TxDOT throughout the transition
- identify functions that can be integrated into the HHS Enterprise
- identify staff and other resources needed to facilitate transfer
- outline specific decision points and timelines
- identify deliverables to measure progress of transition



## Contact

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### **Texas Health and Human Services Commission**

Medicaid/CHIP Division

Policy Development

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## **Federal SCHIP Reauthorization Update**

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**September 2007**



## **Status of SCHIP Legislation**

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- In August 2007, the U.S. House and Senate passed separate versions of legislation to reauthorize the State Children's Health Insurance Program (SCHIP).
- The two bills differ significantly in the scope of program expansion, eligibility and benefits, and source of funding.
- Congress must reconcile the two bills and gain Presidential approval before current SCHIP law expires on September 30, 2007.
- Congress has yet to form a conference committee to create a joint bill.
- Congress may consider an extension of SCHIP rather than a complete reauthorization.

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## SCHIP Legislation Comparison

House (HB 3162)	Senate (HR 976)
\$47.4 billion in new funding.	\$35 billion in new funding.
Covers estimated 5 million children.	Covers estimated 4 million children.
Cost offset by 45-cent increase in federal tobacco tax, changes to Medicare Advantage program, and other measures.	Cost offset by 61-cent increase in federal tobacco tax.
Does not set income eligibility limits for coverage or match (FMAP).	Allows enhanced FMAP for enrollees at or below 300% FPL. Limits <u>new</u> eligibility expansions that exceed 300% FPL to Medicaid match rate.
State option to cover legal immigrant children and pregnant women in the US less than 5 years.	No provision
Requires 12 months continuous eligibility for enrollees <200% FPL in standalone SCHIP programs.	No provision

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## SCHIP Legislation Comparison

House (HB 3162)	Senate (HR 976)
Requires parity for mental health benefits.	Requires parity for mental health benefits.
Performance bonus for states that meet certain outreach/enrollment best practices.	Additional \$100 million for outreach/enrollment.
Prohibits new demonstrations for Health Opportunity Accounts.	No provision.
Extends Transitional Medical Assistance through FY 2011.	No provision.
No new waivers for covering parents (unless states meet certain coverage requirements for children); no new waivers for non-pregnant childless adults.	No new waivers for covering parents and non-pregnant childless adults.

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## **Nurse-Family Partnership Competitive Grant Program Update**

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**September 2007**



## **Background**

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- **The Nurse-Family Partnership Program is a nurse home visitation model for low-income first-time parents and their child.**
- **SB 156, adopted by the 80<sup>th</sup> Texas Legislature, authorizes HHSC to provide grant funding to communities throughout the state.**
- **The Nurse-Family Partnership Program will serve about 2,000 Medicaid-eligible families across Texas.**
- **Public or private entities will be eligible to apply.**
- **To ensure program outcomes, legislation requires grantees to adhere to the program model.**



## Program Goals

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- **Improve pregnancy outcomes.**
- **Improve child health and development.**
- **Improve parents' economic self-sufficiency.**

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## Competitive Grant Program Status

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- **In-Depth Community Education Sessions on the Nurse-Family Partnership Program – Summer/Fall 2007**
- **Hire State Nurse Consultant – Fall 2007**
- **Request for Proposals Posted – Winter 2008**
- **Proposals Due – Two Months After Posting**
- **Contract Awards – Early Summer 2008**
- **Services Begin – September 1, 2008**

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