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DSRIP Transition Proposals

John Scott

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Webinar Basics

- Attendees are muted by default.
- Ask questions via the question box on your webinar dashboard.
- HHSC will answer questions at the end of the presentation.
- We may not be able to answer all questions during the webinar, but we will post written responses to Frequently Asked Questions (FAQs).



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DSRIP Transition Proposals

- **Purpose**
- **DSRIP Funding Pools**
- **Transition Plan Requirements**
- **Timeline**
- **DY9-10 Milestones**
- **CMS Engagement**
- **Parameters**
- **Questions & Answers**



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Purpose of HHSC's Request

- To identify initial stakeholder proposals for programs and services after DSRIP ends
- To inform development of the DSRIP Transition Plan
- To inform discussions with state leadership



DSRIP Funding Pools

- DY7 (10/1/17 – 9/30/18): **\$3.1B**
- DY8 (10/1/18 – 9/30/19): **\$3.1B**
- DY9 (10/1/19 – 9/30/20): **\$2.91B**
- DY10 (10/1/20 – 9/30/21): **\$2.49B**
- DY11 (10/1/21 – 9/30/22): **\$0**



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DSRIP Transition Plan Requirements

- Describe how state will further develop delivery system reform efforts after DSRIP ends.
- Include DY9-10 milestones (FFY2020-2021) for HHSC/Texas.
- Milestones may relate to:
 - Use of alternative payment models
 - State's adoption of managed care payment models
 - Payment mechanisms to support delivery system reform efforts
 - Other opportunities



Timeline, Part 1

#	Action	Target Dates
1	<ul style="list-style-type: none">• HHSC announces request for initial stakeholder input regarding 1115 waiver programs and services post-DSRIP.	10/17/2018
2	<ul style="list-style-type: none">• Stakeholders submit responses via email to waiver mailbox: TXHealthcareTransformation@hhsc.state.tx.us	11/30/2018
3	<ul style="list-style-type: none">• HHSC reviews/summarizes stakeholder input to inform discussions with state leadership and CMS.	12/1/2018 - 12/31/2018
4	<ul style="list-style-type: none">• 86th Texas Legislative Session.	1/8/2019 - 5/27/2019
5	<ul style="list-style-type: none">• HHSC provides status updates to Executive Waiver Committee.	2/28/2019 5/23/2019



Timeline, Part 2

#	Action	Target Dates
6	<ul style="list-style-type: none">• HHSC posts an initial draft of the DSRIP Transition Plan for stakeholder review and comment.	Summer 2019
7	<ul style="list-style-type: none">• HHSC submits draft DSRIP Transition Plan to CMS.	9/30/2019
8	<ul style="list-style-type: none">• CMS works with HHSC to finalize plan.	3/31/2020
9	<ul style="list-style-type: none">• HHSC ensures that DY9-10 milestones are achieved, including any requests to CMS for approval of proposed programs and services.	4/1/2020 - 9/30/2021
10	<ul style="list-style-type: none">• Demonstration Year 11 begins.	10/1/2021



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DY9-10 Milestones in Transition Plan

- Possible examples:
 - Contractual targets for Value-Based Purchasing (VBP) in Medicaid Managed Care
 - Annual updates to HHSC's VBP Roadmap
 - Target dates for submitting requests to CMS for new directed payment programs (similar to QIPP or UHRIP) or other strategies
 - Etc.



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CMS Engagement

- HHSC will coordinate with CMS throughout the development of the Transition Plan to ensure ongoing alignment with CMS requirements.
- Federal approval is required for any new programs and services.
- CMS has indicated a preference for strategies through Medicaid managed care (like directed payments) rather than a standalone pool outside of managed care like DSRIP.



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State-Directed Payment Programs

- Directed payments must go to one type or “class” of provider through Medicaid managed care.
- Texas already has directed payment programs (QIPP for nursing facilities, UHRIP for hospitals).
- CMS website has information about directed payment programs:
<https://www.medicaid.gov/medicaid/managed-care/index.html>
 - See “Final Rule - Additional Resources and Guidance”.



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Parameters for DSRIP Transition Proposals, Part 1

1. Target Population
2. Geographic Parameters
3. Program Description
4. Program Design and Financing
5. Budget Neutrality and Scalability
6. Development Process
7. Participating Providers



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Parameters for DSRIP Transition Proposals, Part 2

8. Payment Eligibility
9. Implementation Timeframe
10. Milestones
11. Quality Improvement and Cost Containment
12. Authority
13. Additional Information



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1. Target Population

- Describe target population of Medicaid and/or low-income/uninsured.
- May specify sub-populations by health condition (e.g., individuals with diabetes, substance use disorders, etc.), income level, or other factors.
- Provide estimates for number of individuals the program would serve.



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2. Geographic Parameters

- Statewide or specific to one or more geographic regions.
- For example:
 - Mental health crisis network statewide
 - Integrated program to improve primary/preventive care in one Regional Healthcare Partnership (RHP)



3. Program Description

- Describe program and goals.
- If based on successes achieved through DSRIP, include successes the program is intended to sustain:
 - DSRIP 1.0 project/outcome ID
 - DSRIP 2.0 outcomes/core activities
 - Any data and other information that shows DSRIP success
- Provide rationale if proposed new program is intended to further delivery system reform in a new way.



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4. Program Design and Financing, Part 1

- Programs must have a funding source, other than new General Revenue, for the non-federal share of payments.
- The non-federal share of DSRIP payments is currently funded with Intergovernmental Transfers (IGT) from local governmental entities.
- HHSC assumes that any new programs for DSRIP transition will be required to use existing funding sources.



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4. Program Design and Financing, Part 2



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Medicaid Enrollees	Low-Income/Uninsured	Medicaid <u>and</u> Low-Income/Uninsured
<ul style="list-style-type: none">• Specify Medicaid managed care design (such as directed payment program).• Include rationale if not designed for managed care, including financing methods for drawing down federal funds.• <u>Note</u>: In Medicaid managed care, all payments must be tied to services provided to Medicaid enrollees.	<ul style="list-style-type: none">• Describe proposed funding source for non-federal share of payments.• To the extent possible, include the methodology for drawing down federal funds and distributing funding.	<ul style="list-style-type: none">• Describe the separate financing methods for Medicaid and low/income uninsured populations.

5. Budget Neutrality and Scalability

- Under the 1115 waiver, the state must maintain budget neutrality
 - The state cannot spend more federal funds under the 1115 waiver than it would have spent without the waiver.
- Budget neutrality is periodically recalculated.
- The exact amount of budgetary space under the budget neutrality cap for DY9-10 and beyond is unknown.
- Proposals should be scalable to allow for implementation at different funding levels.
- Describe estimated program budget and method for scalability.



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6. Development Process

- Describe how the proposal was developed.
 - Stakeholder input
 - Collaborating entities
 - Needs assessments
 - Etc.



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7. Participating Providers

- Describe provider types that would be eligible to participate.
- For example, the DSRIP program has been limited to participating
 - Hospitals
 - Physician practices
 - Community mental health centers
 - Local health departments



8. Payment Eligibility

- Address any specific criteria that must be met for providers or other entities to earn payments.



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9. Implementation Timeframe

- Proposals may begin in DY11 (10/1/2021-9/30/2022) or later.
- Provide estimated implementation timeline for proposed program.
- Also indicate whether program is time-limited (e.g., DY11 – 15).
- Any part of the proposal that is specific to DY9 and/or 10 should be for start-up purposes.



10. Milestones

- The draft DSRIP Transition Plan due to CMS by October 1, 2019, requires proposed milestones for DY9-10.
- What DY9-10 milestones are needed to implement the proposed program?



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11. Quality Improvement and Cost Containment

- HHSC seeks to continue to improve quality while containing costs in the state Medicaid program through value-based purchasing (VBP) and other strategies.
- Describe how proposal will support HHSC's roadmap for high-value care (based on quality and efficiency).
- Include plan for measuring outcomes and other evaluation activities.

Draft VBP Roadmap:

<https://hhs.texas.gov/sites/default/files/documents/laws-regulations/policies-rules/1115-waiver/waiver-renewal/1115-waiver-draft-vbp-roadmap.pdf>



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12. Authority

- If known, describe any legislative action that could be required prior to implementation.



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13. Additional Information

- Provide any additional information for the proposed program.



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Instructions and Due Date

- Please provide responses for all 13 parameters.
- Limit main proposals to 20 pages or fewer. Attachments may be included above the 20-page limit if necessary.
- If coordinating with others on the same idea, please submit just one proposal with all participating organizations listed.
- Submit proposals by **COB on Friday, November 30,** to TXHealthcareTransformation@hhsc.state.tx.us



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Questions & Answers

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Thank you

Please contact the Healthcare Transformation Waiver team at TXHealthcareTransformation@hhsc.state.tx.us