

TAHP Opposes HB 4823 Undermines Managed Care



Texas Medicaid Works for Medically Fragile Children

The Basics: Texas Medicaid managed care serves approximately 6,000 medically fragile children through the Medically Dependent Children's Program (MDCP). Often these kids with complex medical needs need nursing facility level of care, but Medicaid plans support families who wish to care for their children at home, in their own communities.

The last several sessions, the Texas Legislature has strengthened MDCP to ensure families can access the care their children need. This includes:

- Improved coordination of wrap-around services for children with both private insurance and Medicaid.
- Allowances for children with complex medical needs to keep accessing their existing specialist doctor when they enroll in managed care, even if that doctor is out-of-network for the MCO.
- In these instances, MCOs are responsible for developing a single-case agreement with the specialty doctor, and until that occurs, the MCO must pay the out-of-network rate.

Robust Out-of-Network Protections: Medicaid health plans must ensure their enrollees have access to all medically necessary services and all provider types and specialties.

- If families can't access a specific service in-network, Medicaid plans coordinate out-of-network care.
- If a child accesses out-of-network care the MCO must pay the provider 95% of HHSC's rate set for the fee-for-service program.

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- **HB 4823 expands the use of out-of-network care** and incentivizes providers to remain out of network to gain higher reimbursement, resulting in increased costs for the Medicaid program and reduced ability of a MCO to ensure quality and coordinate care.
- **HB 4823 wraps physician specialists in with equipment suppliers** with the goal of giving DME suppliers the same continuity of care protections reserved for physician-patient relationships. There is no shortage of access to DME in Texas and this definition change creates a costly incentive for those suppliers to stay out-of-network.