

State Medicaid Managed Care Advisory Committee

February 22, 2024



The [State Medicaid Managed Care Advisory Committee \(SMMCAC\)](#) convened to deliberate on the implementation and operation of Medicaid managed care in Texas. The committee examined program design, systemic issues, efficiency, and quality of services delivered by Medicaid managed care organizations (MCOs), among other topics. The meeting featured updates on the HHS Annual Report on Quality Measures and Value-Based Payments for Fiscal Year 2023, the STAR+PLUS procurement process, and public comments on various concerns.

[Agenda](#) and [Webcast](#)

Key Takeaways:

- The HHS Annual Report showcased progress in managed care value-based payment programs and quality improvement initiatives, with a **notable decrease in potentially preventable ER visits** from 2016-2022, highlighting the effectiveness of MCOs in reducing unnecessary hospital visits.
- **Managed care quality strategy** focuses on promoting optimal health, ensuring safety, enhancing patient and family engagement, and providing timely and appropriate care.
- The **STAR+PLUS procurement update** outlined the timeline and readiness activities for the new contract's operational start date on September 1, 2024.
- Public comments raised concerns about **Durable Medical Equipment (DME) charges**, supervision of **Pediatric Day Nursing (PDN)** nurses, and the challenges faced by young parents and teens.
- A public hearing on the [Healthy Texas Women \(HTW\)](#) demonstration extension was conducted, aiming to transition HTW to a managed care model.

- This transition seeks to enhance continuity of care across a woman’s life cycle, increase access to preventive health care, and improve the overall health of women in the HTW demonstration.
- The public notice of intent for the extension was published on February 9, 2024, with a 30-day public comment period ending on March 11, 2024.
- Opportunities for public comment included a second stakeholder meeting scheduled for March 5, 2024, and an in-person public hearing, emphasizing the program's commitment to engaging with the public and stakeholders in the extension process.

HHS Annual Report on Quality Measures and Value-Based Payments, Fiscal Year 2023:

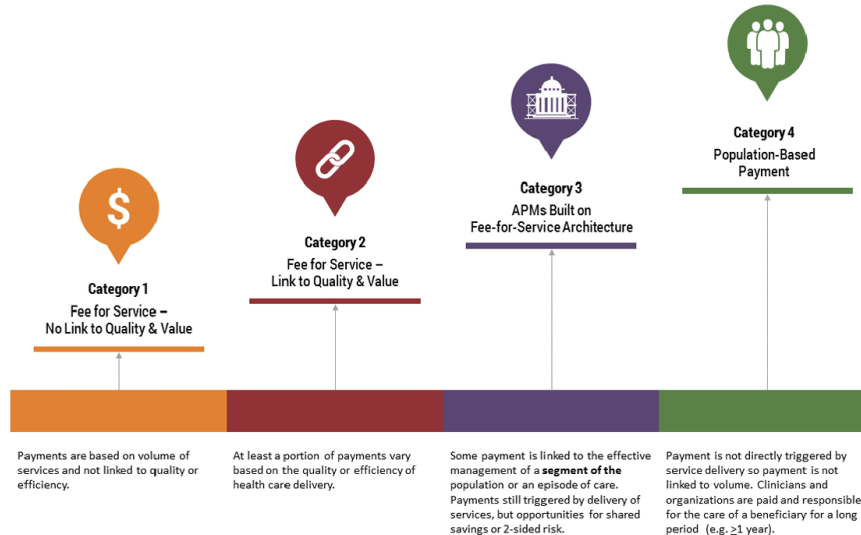
[Link to Presentation](#)

Presented by Jimmy Blanton, focused on the comprehensive review of quality measures and value-based payment initiatives within Texas Medicaid and CHIP for FY2023.

Key points included:

- **Managed Care Value-Based Payment Programs:** The report detailed various programs such as the Pay-for-Quality Program, Medicaid Value-Based Enrollment, Alternative Payment Model Requirements for MCOs, and the Hospital Quality-Based Payment Program, highlighting their roles in promoting quality and efficiency.
- **Quality Improvement Programs:** Directed Payment Programs and Benchmarks for MCOs were discussed, emphasizing their contribution to enhancing healthcare services.
- **Trends in Key Quality Measures:** A significant decrease in potentially preventable ER visits from 2016-2022 was noted, showcasing the effectiveness of MCOs in managing patient care and improving service delivery.

Alternative Payment Model (APM) Framework



The framework assigns payments from payers to health care providers to four Categories, such that movement from Category 1 to Category 4 involves increasing provider accountability for both quality and total cost of care, with a greater focus on population health management (as opposed to payment for specific services).

- **Managed Care Initiatives for Maternal Health:** The report covered efforts to improve maternal health outcomes, including the Pregnancy-Associated Outcome Measures and the Maternal Opioid Misuse Model, aimed at reducing opioid use disorder among pregnant and postpartum women.

A commenter on MCO Investments in Rural Health Clinics: During the discussion on quality improvement initiatives, Ramsey Longbotham, representing Primary and Specialty Care Providers from Cuero, TX, raised a question about the financial aspects of Managed Care Organizations' (MCOs) investments in Rural Health Clinics (RHCs).

- Longbotham: "When I worked with RHCs, an MCO gave us a lot of money. Was that over the 3% in P4Q?"
- Responding to Longbotham's query, Jimmy Blanton, clarified the flexibility within the quality programs allowing MCOs to support their communities.

- Blanton: "We allow flexibility in quality programs for MCOs to invest in their communities and hospitals. They could get that money because they've been efficient, during the pandemic, or for other reasons."

STAR+PLUS Reprourement Update:

Trinita Harris, Deputy Associate Commissioner for Managed Care Compliance and Operations at HHSC, provided insights into the STAR+PLUS new contract operational start date set for September 1, 2024. Highlights included:

- **Preparation and Readiness:** Ongoing weekly meetings with STAR+PLUS MCOs to address issues and mitigate risks, with readiness activities expected to start in early July.
- **Provider Engagement:** MCOs have begun networking with providers to ensure network adequacy, with the enrollment broker also notifying providers about the upcoming changes.

STAR+PLUS Reprourement Update Q&A:

During the update on the STAR+PLUS reprourement process, Ramsey Longbotham, representing Primary and Specialty Care Providers from Cuero, TX, inquired about the timeline for MCOs to start developing their provider networks.

- Longbotham: "When do you anticipate the MCOs will start developing networks and approaching providers?"
- Trinita Harris assured that MCOs have already begun the process of networking with providers and will be sharing data on network adequacy with HHSC.
 - Harris: "They've already started networking with providers. They'll be providing those numbers to us with network adequacy."
- Adding to the discussion, Michelle Erwin, representing HHSC, highlighted additional efforts to engage providers and inform them about the upcoming changes.

- Erwin: "In addition to MCOs working with providers, our enrollment broker will also be notifying providers. We're also looking to host a webinar for providers."
- Harris further mentioned the timeline for reaching out to families and members affected by the STAR+PLUS procurement changes.
 - Harris: "We'll start reaching out to families/members on March 1."

Public Comment Q&A:

- **Linda Litzinger** representing Texas Parent to Parent
 - Raised concerns regarding the handling of Durable Medical Equipment (DME) by schools.
 - She highlighted instances where schools charged both private insurance and Medicaid for DME, such as gym equipment, but failed to send the equipment home with the child.
 - Litzinger advocated for sending all Explanation of Benefits (EOBs) to parents to ensure they can verify receipt of their child's equipment.
 - She also voiced concerns about the challenges younger parents might face in supervising Pediatric Day Nursing (PDN) nurses, suggesting the need for additional support and oversight in these situations.
- **Terri Carricker** urged the State Medicaid Managed Care Advisory Committee (SMMCAC) subcommittee members to acknowledge the unique challenges faced by STAR Kids members, who, despite being the smallest group of active Medicaid members, account for the highest costs within Medicaid.
 - Carricker emphasized the importance of being proactive in understanding the differences between adult and children populations, particularly in identifying and addressing barriers to access to care and issues related to age transitions.
 - She requested that the subcommittee members consider including her and other Subject Matter Experts (SMEs) from the Children with Complexities subcommittee in further SMMCAC subcommittees to ensure a comprehensive approach to these challenges.

Public Hearing on the Healthy Texas Women (HTW) Demonstration Extension:

[Link to Presentation](#)

Michelle Erwin, from the Office of Policy at MCS, provided a comprehensive overview of the Healthy Texas Women (HTW) program and its proposed extension. The HTW program aims to offer comprehensive family planning and primary health care services at no cost to eligible Texas women, enhancing their health care access and participation. The services under HTW include pregnancy testing, pelvic exams, STI services, cancer screenings, and more, targeting low-income women aged 15 to 44.

- **Goals and Objectives:** The extension seeks to increase access to women's health and family planning services, thereby averting unintended pregnancies and improving maternal health outcomes. It also aims to enhance preventive health care access, including screenings for sexually transmitted infections, hypertension, diabetes, and high cholesterol, and to promote early cancer detection.
- **Request for Extension:** HHSC is requesting a 5-year extension for the HTW demonstration, from January 1, 2025, through December 31, 2029. This extension is part of an effort to transition HTW to a managed care model, as mandated by House Bill (H.B.) 133. The transition is expected to improve continuity of care, increase access to preventive health care, and enhance the overall health of women in Texas.
- **Managed Care Transition:** The transition of HTW into managed care is designed to align with the goals of the demonstration, reducing the overall cost of publicly funded health care and increasing access to essential health services. The managed care model will incorporate core features such as primary care provider establishment, service coordination, and value-added services, aiming to enhance continuity of care for women across different stages of life. Transitioning HTW into managed care will also improve access to preventive health care, contraceptives, and screenings for cancer, sexually transmitted infections, and chronic conditions. Contracts with Medicaid managed care organizations (MCOs) will be established to provide HTW program services. The HTW program is included in the STAR and CHIP

MCO request for proposals (RFP), with the RFP posted in December 2022, an estimated notice of award in Q1 FY2025, and the start of operations in Q1 FY2026.

- **Evaluation and Budget Neutrality:** An evaluation design is required to ensure the demonstration meets its intended goals, focusing on access to services, health outcomes, and the effective use of public funds. The proposed extension includes a revised budget neutrality model to be negotiated with CMS, ensuring that the HTW demonstration remains cost-effective.
- **Public Comment Opportunities:** The public notice of intent for the extension was published in the Texas Register on February 9, 2024, with a 30-day public comment period ending on March 11, 2024. HHSC has provided multiple avenues for public engagement and comment, including a second stakeholder meeting scheduled for March 5, 2024, and an in-person public hearing.
- **Public Comments:** Written comments from Gwendolyn Taylor and Catherine Strandberg were submitted but not read aloud during the meeting. No verbal public comments were provided during the session.