# How Does Texas Medicaid Managed Care Work?



Over the past 20 years, Texas transformed an outdated Medicaid system that provided fragmented care into a modern, patient-centered health insurance program that provides more than 4 million Texans with the coverage and care they need.

Today, Texas partners with private health insurance providers known as managed care plans. They administer Medicaid and CHIP and cover the costs associated with delivering care.



# How Does Medicaid Managed Care Work?

Managed care plans make Texans healthier and save taxpayers money by prioritizing preventive care and coordinating health care for Texans on Medicaid and CHIP.

Managed care works just like insurance. Every month, Texas pays a health care premium to the Medicaid health plans for each person they cover. In turn, the health plans accept all financial risk for providing needed services to their members.

Medicaid managed care plans hire the best doctors, negotiate the most affordable prices, and focus on prevention and wellness to help their members get healthy, stay healthy and live independently in their communities.



Medicaid managed care is a critical program in Texas that has both saved taxpayers money and improved health outcomes."

- Gov. Greg Abbott

# Managed Care Health Insurance Coverage in Texas

**STAR Health** 1% of caseload

Covers children in foster care and young adults previously in foster care

**STAR Kids** 4% of caseload

Covers children and young adults age 20 and younger with disabilities or complex medical needs

CHIP 9% of caseload Covers children and unborn children (CHIP Perinatal) in families that earn too much money to qualify for Medicaid, but cannot afford to buy private health insurance

**STAR+PLUS** 13% of caseload Covers adults with a disability, people who are age 65 and older (including those dually eligible for Medicare and Medicaid), and women with breast or cervical cancer

**STAR** 68% of caseload Covers children, newborns, pregnant women, and some families, and includes the Healthy Texas Women and Health Texas Women Plus programs

# **Texans Value Medicaid**

### **STAR and CHIP**

Pays for doctor visits, hospital stays and prescription drugs for children, newborns, pregnant women and some parents with children on Medicaid

### **STAR+PLUS**

Pays for the same services as STAR, but also pays for long-term care services like home health care and nursing home stays for older Texans and Texans with disabilities

### **STAR Health**

Provides specially-tailored health care and support for children in the Texas foster care and kinship care programs

### **STAR Kids**

Pays for the same services as STAR, but also covers long-term care and coordination for children with disabilities and children with complex medical needs





