CHILDREN'S HEALTH COVERAGE COALITION
FORMERLY THE CHIP COALITION

June Children's Health Coverage Coalition and OTA Meeting
Friday, June 15th
11:00 p.m. - 2:00 p.m.

Present:

Eva DeLuna, CPPP
Greg Hansch, NAMI Texas
Christina Hoppe, CHA Texas
Will Francis, NASW Texas
Mary Allen, TACHC
Mimi Garcia, TACHC
Clayton Travis, TPS
Anne Dunkelberg, CPPP
Arinda Rodriguez, CPPP
Jackelyn Cantu, MHM
Alwyn Mathew, MHM
Christina Phamvu, MHM
Kaitlin Caldwell
Sonia Lara, TACHC
Alison Mohr Boleware, TMA
Adriana Kohler, TCFC

On Conference Line:

Inaudible name, Maximus
Sara Mills, Texas Association for Healthcare and Hospice

Invited Guests:

Paige Marsala, HHSC
Hilary Davis, HHSC
Janie Contreras, HHSC
Clarice Rogers, HHSC
Deborah DeLaCruz, HHSC

Meeting Chair: Clayton Travis, Texas Pediatric Society
Meeting Scribe: Arinda Rodriguez, CPPP

1. **Introductions (5 minutes)**
2. **Revenue Projection [Eva DeLuna Castro – 30 min]**

Eva DeLuna

Thank you for the introduction, I will try to stick to time, so please let me know when there are 5 minutes before 11:30.

[Refer to PowerPoint and Handout] What I'll be talking about today relates to what is happening on the state budget, which we are almost half way through and what that will mean for the 2020 - 2021 budget cycle.

The main thing you will be hearing about from me relates to what is in the budget and what needs to change. We will need more money in the future.

[Refer to Handout] Most of the spending that is General Revenue is for public education (not counting property taxes) and higher education. They account for about half of the budget.

Additionally, Health and Human services plus the education budget accounts for more than ¾ of the budget. Therefore, when we are concerned with budget cuts, we should be concerned for the public education and human services. These areas are heavily impacted and will be receiving less funding.

Higher education will be getting a little bit more but way below what they need to cover enrollment.

It's important to keep in mind that what matters to the legislature is how the general revenue is being used because that's the part that they need to balance.

[Refer to PowerPoint] General Revenue is still needed for

- Medicaid: Still need funds to cover medical cost, case load work, and other deficits
- Hurricane Harvey relief efforts
- Sales Tax Transfer due to Highway Fund

A significant amount of money is still needed to deal with these costs. Luckily, there are amounts of money in the Rainy Day Fund and $94 million that are still available in General Revenue. In actuality, there really is no need to make any tax cuts.
In addition, the state revenue is doing better than the comptroller had predicted. Just this year sales tax produced $1.3 billion more, and it is projected that next year we might have about the same increase from sales tax. These are good news for us.

In regard to the next budget cycles, we don't have and are waiting for budget instructions for the 2019-2020 budget cycle, but we should receive them soon.

[Refer to Handout] On another note, as you can see from the graphs in the handout, in order to pay for public services in Texas, we have to rely on property taxes (local taxes) and sales taxes (most of which the state collects). This is about 80% of all taxes in our revenue.

Therefore, in some areas, property taxes are relatively high and are hard to stomach for some people. School taxes are about ¼ of the taxes a Texan pays for.

[Refer to PowerPoint]. Essentially, the state budget assumes that school taxes will continue to rise. Over the long-term, the total amount of money that the state contributes will decrease. In 1992, the state paid 10%, but the state contribution will drop to 8.4% by 2019.

In sum, tax cuts will basically affect education and human health services.

Now, let's talk about why it matters when taxes do better than what the comptroller says?

- **Taxes amount to about half of the State Revenue**
- It matters to health human services, it matters less to public schools.
- Federal money overall pays for 1/3 of the budget.
- Lottery pays very little.

As mentioned earlier, sales taxes are producing about 10% more than in previous years. The sales tax generates about $1.3 billion more this year and if it continues increasing at the same rate the following year, that's $2.6 billion more, enough to cover the Medicaid shortfall.

[Refer to PowerPoint] Like the sales tax, the oil and gas tax is actually doing better, but that's only 6% of taxes

[Refer to PowerPoint] If you observe the chart you will notice that the franchise taxes is highlighted. That is because proposals are in the works to remove the franchise tax in the future What is important to understand is that these proposals are really about helping out the big businesses earning millions, this is not about helping small businesses. Getting rid of this is getting rid of funds that support education and health and human services.

Also, we should be wary of a school finance commission recommendation to use sales tax revenue. This can be dangerous because that is leaving the funding up to the performance of a good economy, which is not a solid footing to put school finance on.

[Refer to PowerPoint] Regarding the Vehicle Sales/ Rental tax, they are also doing better. However, that is because Harvey destroyed a lot of cars and people are replacing them. So, it's a temporary spur given the situation. Actually, many of the spikes in the budget are due to the recovery from Harvey

[Refer to PowerPoint] It should be noted that the state is relying on federal funding to support public services because we don't have as much extra as we used to. Federal money is up to congress to decide, which may or may not be affected by the census after 2020.

[Refer to PowerPoint] Federal Funds in Texas State Budget

- Most important portion is Medicaid, following Highways, Chip, school lunch etc.

[Refer to PowerPoint] Rainy Day fund

- The Rainy Fund has regularly used by the government (economic stabilization fund)
- They will probably use it to cover for Harvey.

Additionally, for 2020-2021, the Comptroller has said

- There is a short fall in tuition
- The Teacher Retirement System is going to need more money, retired teacher premiums can't keep going up.

Also, the budget assumes that local property taxes will go up and that expenses won't go up.

- School finance commission report due on December could put pressure on the budget, but at the moment everything can be done with existing budget, but the catch is that local property taxes will have to go up.

Questions

- Do you think education will be that tipping point where we have a deeper awareness that we are not pulling our fair share from the state side?
  - The answer to that depends on where you are, where you live. There's different willingness and ability to pay for taxes. What the legislature is hearing is coming from the constituents and lobbyists, so whoever it is that's paying taxes is influencing those decisions.
  - What taxes they cut and what they raise will make the difference (cigarette etc.)
  - One proposal to raise Sales Tax. For example, tax in Austin would increase to 10.25% in sales tax.
    - For example
      - A family making about 35,000 a year pays about 15% in taxes
      - A family making about 100,000 a year pays about 3% in taxes.

3. Coalition Member Legislation Propositions

Clayton Travis

As you all know the CHCC comes out with a legislative agenda every legislative session. So we want to give some time for everyone to raise some of those legislative ideas for the next session. If you have any ideas we can have 20 minutes of discussion. Starting us off is Will Francis from NASW-TX.

a. Independent Health Monitor (30 min)

[Refer to Handout]

Will Francis

- Ombudsman is basically there to support consumers, not providers. However, providers are to encouraged share their issues with HHSC.
    - What that means is that if you are a provider and you have a complaint you have 2 processes
        - Provider can be referred to the Texas Medical Health Plan and referred to HHSC if not resolved.
        - Provider can be referred to the MCO and referred to HHSC if not resolved.
    - Part of this problem is that people working in complaint offices don't understand the Medicaid rules.
    - For example, through private insurance it is really hard to pass erroneous claims. However, under managed care you can get paid to receive services, but later receive notification that it was found to be an erroneous claim, which would mean that they would push for the client to pay them back the money that was released to them.
    - In light of these confusions and intricacies of the system, It's really hard to keep social workers in the Medicaid network.
    - HHSC puts out a form where MCOs were not compliant in 99 instances.
        - MCOs make a lot of profit. Providers are subject to extrapolate up to two years for erroneous claims. For one error they can say that prior claims may also be erroneous and extract.
- ***Our idea is to create an independent healthcare monitor separate from the HHSC.***

Questions

Clayton Travis

- What authority would this monitor have on resolutions?

Will Francis

- We would love for this person to actually arbitrate on the cases. We want them to have decision making power

- We would like to see some alignment between TDI and MCO.

Clayton Travis

- Is this proposal pertaining to providers only or how do hospitals fit in here?

Will Francis

- Haven't thought about it but hospitals could fall in the middle ground.

Clayton Travis

- How many people do you think this would help? How many FTEs?

Will Francis

- Bare minimum, maybe 3.
- The reality is that it will take a staff.

Clayton Travis

- At what point does it get elevated to HHSC or is it a formal process?

Will Francis

- There is a complaint process, but sometimes that goes to people in HHSC that don't have the capacity to provide the support and it becomes a back and forth process that is not beneficial.
  - For example, the MCO can send you to collections and that happens all the time and makes it more challenging.
  - They also go to the legislator and gets a speedy dismissal that doesn't qualify it as a complaint. Therefore, the data we get from HHSC is often incomplete.

b. Open Call for CHCC legislative ideas (10 min)

Clayton Travis
TPS will be continuously reengaged in provider rates. We will focus on network adequacy to ensure that physicians are paid a rate that attracts them to the network.

Adriana Kohler
First Proposal: At Texas Cares we have been thinking about substance use addiction amongst all Texans but particularly moms and maternal care.

An issue that comes up in this area is that for community-based substance abuse providers, there's a prioritization list that is set through SAMSHA. This list includes a) pregnant women injecting, b) pregnant women with CPS referral, and then all other populations.

- What happens is that pregnant women who receive treatment during pregnancy, although they are successful, can often relapse after birth, and because they are no longer pregnant, they lose their status in the prioritization system and their access to services.

- It is important to keep in mind that a leading cause of maternal death is overdose.
  - ***Therefore, our proposal would like to push for post-partum and pregnant women to be included in the prioritization list.***

  Alison Mohr Boleware
  - I thought they were already in the priority list on an HHSC presentations?

    Adriana Kohler
    - That is not my understanding and is not happening on the ground.

  Greg Hansch
  - What's the size of the population you are targeting, that is, including post-partum and pregnant women? It is important to consider this because it will displace services for other populations.

  Alison Mohr Boleware
  - For how many months is a woman considered post-partum?
  - Would you want them to be the top priority regardless of the substance they are using?

    Adriana Kohler
    - A year maybe
    - No, I believe that pregnant women still need to be priority.

Adriana Kohler

- *Second Proposal:* Mary Gonzalez has reached out with the intention that they want to refile their bill from last session Regarding a Medicaid transportation benefit pilot program.
  - This bill actually got a hearing last session.
  - The gist of the problem is that as of now, the Medicaid rules to this transportation benefit do not allow the patient to travel with his/her other child in the Medicaid transportation
    - So for example:
      - A pregnant woman with her other child can't go in the Medicaid transportation.
      - A pregnant woman with her newborn baby can't travel through Medicaid transportation.
    - They are looking into pilot program locations like Killeen.
    - The office is open to ideas to improve that bill.

Christina Hoppe

- The following are ideas that CHAT has been considering
  - Raising the age for Tobacco consumption to 21. Many people have signed off on that idea
  - An Immunizations work group

- Telehealth is also something were thinking about, it's an area of interest
- Finding solutions to the fact that children's hospitals are losing money through uncompensated care.

Clayton Travis

- Are you all looking at state solutions since it was federal money that created that short fall?

Christina Hoppe

- Yes,
- Through the renewal of the CMS of 2015 has Children's Hospital at a loss. So that is what we are looking at addressing.

Anne Dunkelberg

Policy decisions that would deal with coverage issues to consider include:

1. Pay Medicaid rates to hospitals
2. Do a coverage program that gather Medicaid funding for low-income adults

It will also be worth revisiting:

- Sibling alignment eligibility policy

Clayton Travis

[Refer to Legislative Agenda of the Coalition from Last Year]

- For the process of brainstorming ideas, a good starting point would be to start off with those legislative propositions and hopefully add to that list.
- We will also need to begin planning our Legislative Briefing soon. Typically consists of educating legislative staff on Medicaid 101 and introducing our legislative priorities

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4. Update on Medicaid Managed Care Hearings

Clayton Travis

- In regard to the May Hearing, the hearing really spoke to interim charge focusing on network adequacy, managed care models, something that is still very relevant.

Will Francis

- I testified on provider issues. That was the hearing we had many people come and speak. It seems like we've had the same hearing 4 or 5 times.

Clayton Travis

- Next hearing will be held on June 20th in the House Health and Services committee, with emphasis on Dallas morning news series that focus on managed care.
- There will be another joint hearing on June 27th on managed care.

- In this hearing they will be looking into the oversight of the HHSC of Medicaid Manage Care contracts
- TPS will be testifying for the need of better oversight for Medicaid managed care

Anne Dunkelberg

- I was invited to speak on the joint hearing on June 27th
- Also, there is an ad hoc Medicaid managed care protection group that has been meeting for about 4 years now, and it was created because this is such a big issue and we don't have the bandwidth to get the expertise needed.
  - Everybody is invited to participate, I would imagine within the next weeks we'll have our next meeting for this group.
- Also, this week on the Medicaid managed care
  - A friend of mine reported on a horrific screw up in her child's benefits and in the coordination between the health plans and the HHSC. Moral of the story is that there's plenty of blame to go around the agency, the health plans, the legislature etc.

Clayton Travis

- If you're interested in joining that group email Anne Dunkelberg.

Anne Dunkelberg

- In regard to public charge, we still don't know when it will be published.
  - I believe my office will have something posted on public charge sometime today or Monday with links with information about it. (here is the link: http://bettertexasblog.org/harsh-policy/)

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5. OTA Agenda Items

a. Office of Ombudsman Update

[Refer to PowerPoint]

Paige Marsala

The following is a summary of the Ombudsman Top 3 Contacts for the 3rd Quarter of the Fiscal Year 2018 by Program Type:

- For Chip
  - Application/Case denied
  - Check status
  - Application case denied
- Chip Prenatal
  - Explanation of benefits/policy
  - Check status

- Application/case denied
- SNAP
  - Application/case denied
  - Benefit amount
  - Check status
- TANF
  - Application/Case denied
  - Check statues
  - Explanation of benefits/policy
  - There was a 37% increase in complaints from April to May
- Medicaid - STAR
  - Access to prescriptions

    Paige Marsala

    - A lot of what we see with access to prescriptions is that when clients are certified for Medicaid after the first of the month, but then retroactively enroll into a health plan from the beginning of the same plan, many times clients will try to get prescription, but the pharmacy won't see them as active in the database. This can be fixed easily by contacting the health plan and asking them to retrieve their info.

    Clayton Travis

    - Is this problem on its way to be resolved?

    Paige Marsala

    - We are having discussions.
  - Access to PCP/change PCP
  - Verifying health coverage.
- Star Health
  - Access to PCP/Change PCP

    Clayton Travis

    - It's more like how do I find a PCP?

    Paige Marsala

    - Yes, it's an inquiry on PCP
  - Change Plan-provider (PCP, facility, DME)
  - Verify Health Coverage
- STAR Plus
  - Access to Long Term Care
  - Access to Prescriptions
  - Billing Issues
    - Billing issues meaning clients are receiving bills from providers.
- Star Plus Dual Demo
  - Access to Long term care

    - Access to prescriptions
    - Billing issues
- STAR Kids
    - Access to prescriptions
    - Access to long term care
    - Access to PCP/change PCP
- Non-managed Care
    - Access to Prescriptions
    - Application/ case denied
    - Verify Health coverage

A lot of inquiries were followed up of complaints.

- Denials were related to sanctions.

Billing issues are always on the top 10 of our contacts.

Foster Care Ombudsman

[Refer to PowerPoint]

Clarise Rogers

- Foster Care Youth Contact has been increasing (80 instances) in contacting the ombudsman. This is good.
- Top 3 reasons for contact
    - Rights of children and youth in foster care
    - Not all facts documented in impact
    - Caseworker not responding to phone calls

Questions

Adriana Kohler

- What do you do when there are complaints about case workers not responding?

Clarice Rogers

- Mainly, we follow up with the office and contact the case worker to provide them with information on our following-up policy.
- A lot of these complaints are based on everyday things that clients are not receiving.

[Refer to PowerPoint] **Update on Programs**

- PAL: Preparation for Adult Living
- CASA: there has been an increase in calls related to CASA not responding to clients. Ombudsman has been working on contacting CASA and putting them in contact with clients.

- (DFPS) Department of Family Protective Services: It's ongoing. They are in the process of hiring 3 more ombudsman, so we can do more.

Clayton Travis

- Do you get any inquiries on family planning from the youth regarding accessibility?

Clarice Rogers

  - Yes, we do. We try to address their concerns. However, this hasn't been addressed adequately, but we are in the process and working on it.

Anne Dunkelberg

- Are the kids calling all enrolled in STAR health? And if so that's Medicaid, and Medicaid is not supposed to require parental notification.

Adriana Kohler

- So, what do you tell them about their services?

Clarice Rogers

  - We just started this process and we are trying to make sure they have access to their rightful services. My role is that to verify the services they are entitled to and ensure that CPS is making sure that this kid is receiving services they need and are entitled to.
  - I have been approaching this by going to CPS to inquire why a kid is being denied services. Essentially, it's all a process, but my main role is to ensure that children's rights are no violated.

Clayton Travis

- I ask the question regarding family planning inquiries because we've heard stories of foster care placements, who, under their own beliefs, are denying these kids certain services that they are eligible and that they have the right to have.

Adriana Kohler

- We appreciate the work that you're doing since we know of cases of youth in foster care that do not know or receive contraceptive information. They are just not receiving this information.

Clayton Travis

- Do you have any general response related to fair hearing process?

Paige Marsala

  - Well, the fair hearing process only looks at whether procedures were followed correctly.

Clayton Travis

- How much control does the agency (HHSC) have over the process of the fair hearing?
- Does the federal government outline how it goes down and can it only reveal if the process was followed?
- What I'm trying to get at is that it can be changed at the state level.

Update on Managed Care Assistance Team

[Refer to PowerPoint]

Paige Marsala

- All new positions have been filled and the new employees have received training on what it means to be an ombudsman to ensure they understand the authority, responsibility and expectations of the job.
- This training is now available through our HR system and is aimed to strengthen our office from within.

Clayton Travis

- Does the leadership look to the expertise of the Ombudsman regarding managed care?
- We may want to think about ways to get ombudsman opinions and honest updates on hearings and provide testimony.

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b. Access and Eligibility Services

Hillary Davis and Janie Contreras

1. Regarding the status update on sibling alignment of renewal dates
    a. We did provide the list to our quality team. We are expected to get some analysis by the end of August. After the analysis we will see if there's an issue with policy, a training issue, or systemic issue.
2. Updates in the handbook for eligible status for lawfully present children

    Christina Hoppe

    i. There a lot of immigration statuses that children could have to be eligible for Medicaid and CHIP.
    ii. We want to know if the list can be expanded on the statuses.

    Hillary Davis and Janie Contreras

    iii. Melissa did give us the codes. What we did is that we put out a Texas Work bulletin this past Wednesday that gave clarification on six additional codes that are for the children that may be eligible for citizenship. That clarification went out to staff this Wednesday and will be added to the handbook by October.

Anne Dunkelberg

iv. What we can do is forward the bulletin from the last week to key organizations that do this work with these populations and see if it will capture most of the population.

3. Update on allowing pre-tax employer contributions being

Hillary Davis and Janie Contreras

a. This is till on our list, we've had to prioritize alien sponsored projects. We haven't prioritized that in our list so to speak, but we intend to create a bulletin to help our staff to implement the policy of the Contingency Process Method. We want to implement the policy before the system changes.

Christina Hoppe

- Any other comments?

Meeting adjourned at 1:30 pm.

CENTER *for* PUBLIC POLICY PRIORITIES

STATE REVENUE UPDATE AND BUDGET PROJECTIONS

EVA DELUNA CASTRO

deluna.castro@cppp.org **@DeLunaEva**

June 2018

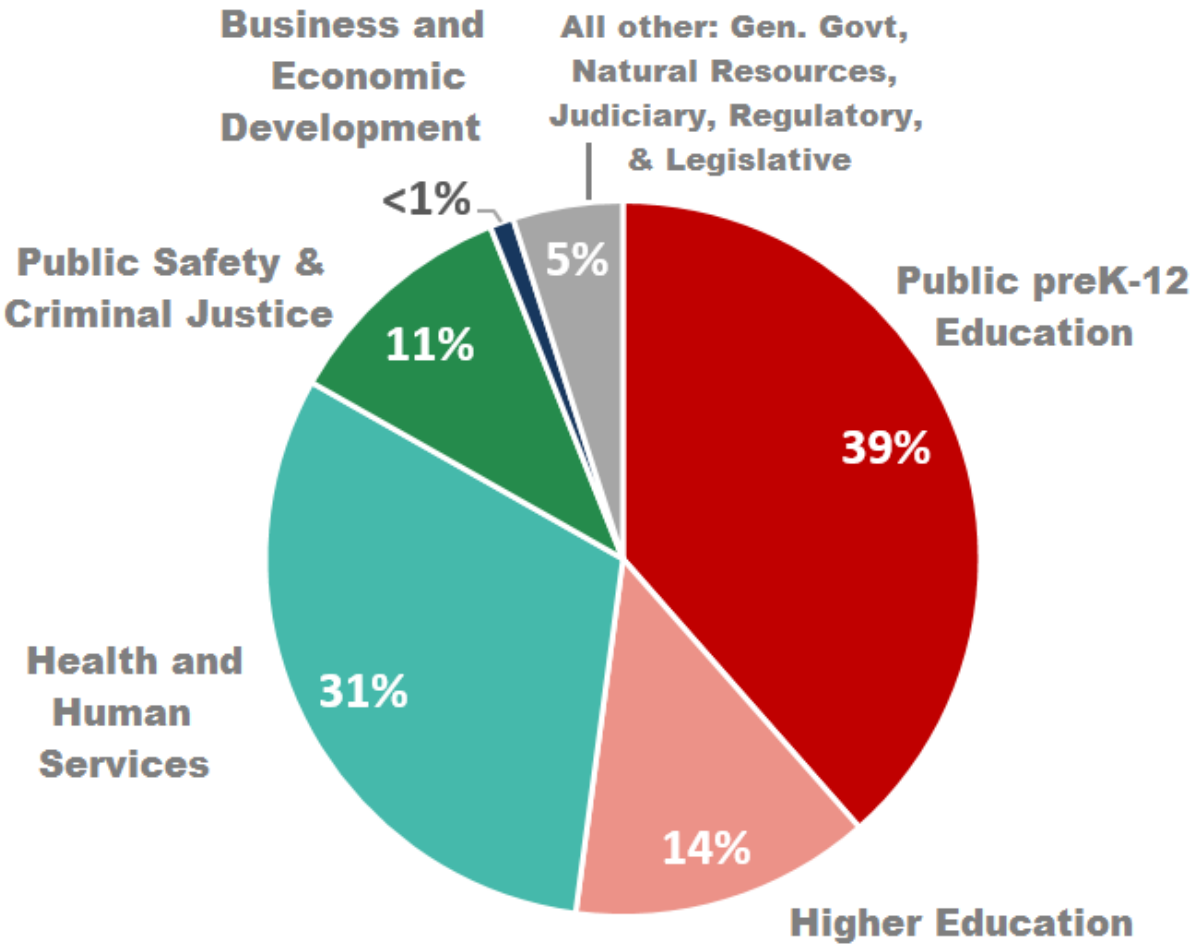
- What's the current state budget?
- What will the Legislature need to add before fiscal 2019 ends?
- Where might that money come from?
- What about the 2020-2021 budget?

Texas 2018-19 General Revenue Budget: $106.7 billion *(as of Nov. 2017)*

Compared to 2016-2017 levels, preK-12 schools and HHS were appropriated LESS general revenue.

Higher ed saw a 1.6% increase, way below 9% that would've funded formula growth.

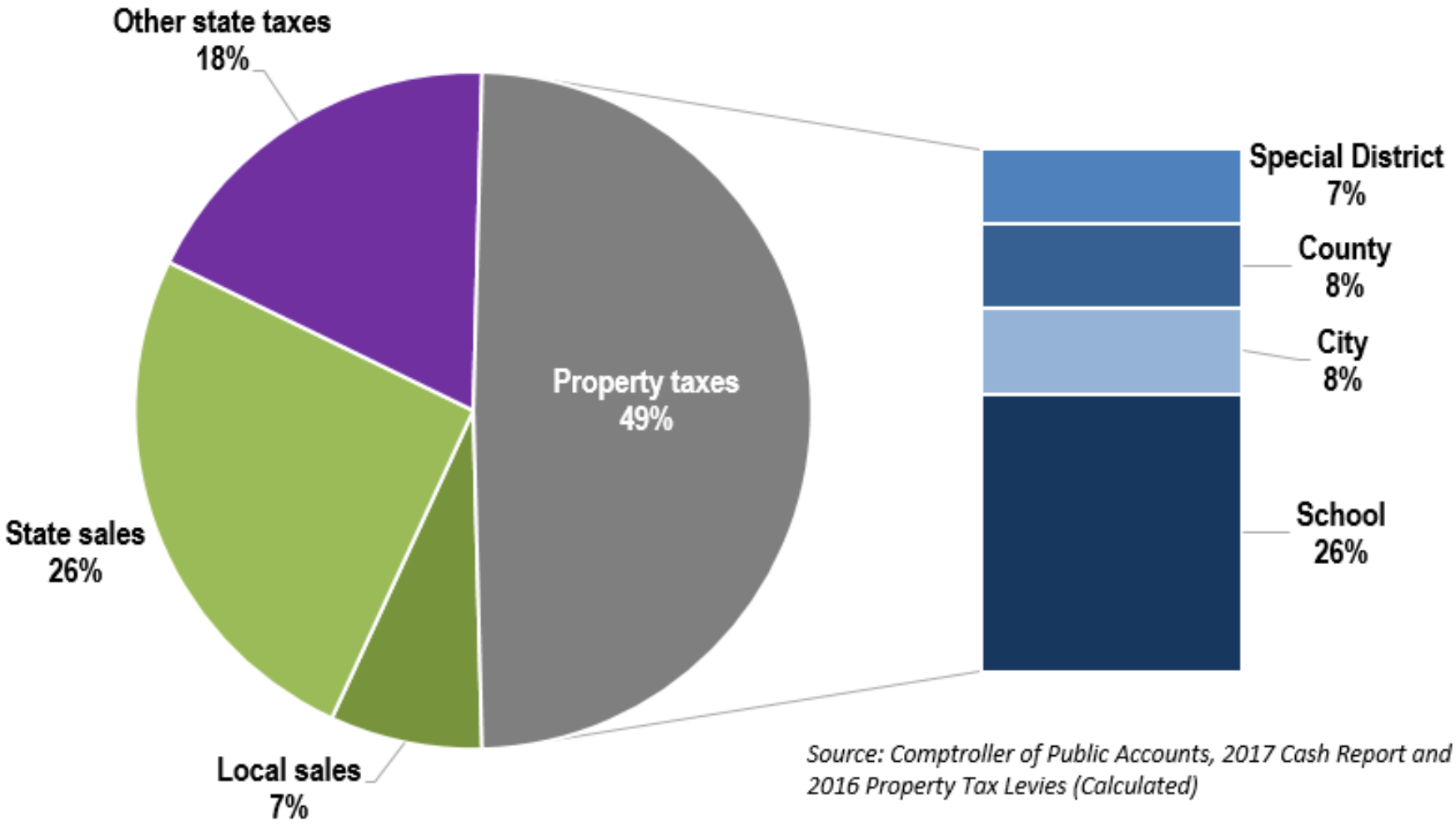
All Funds budget: $217 billion, 0.2% more than in 2016-17



General Revenue still needed for:

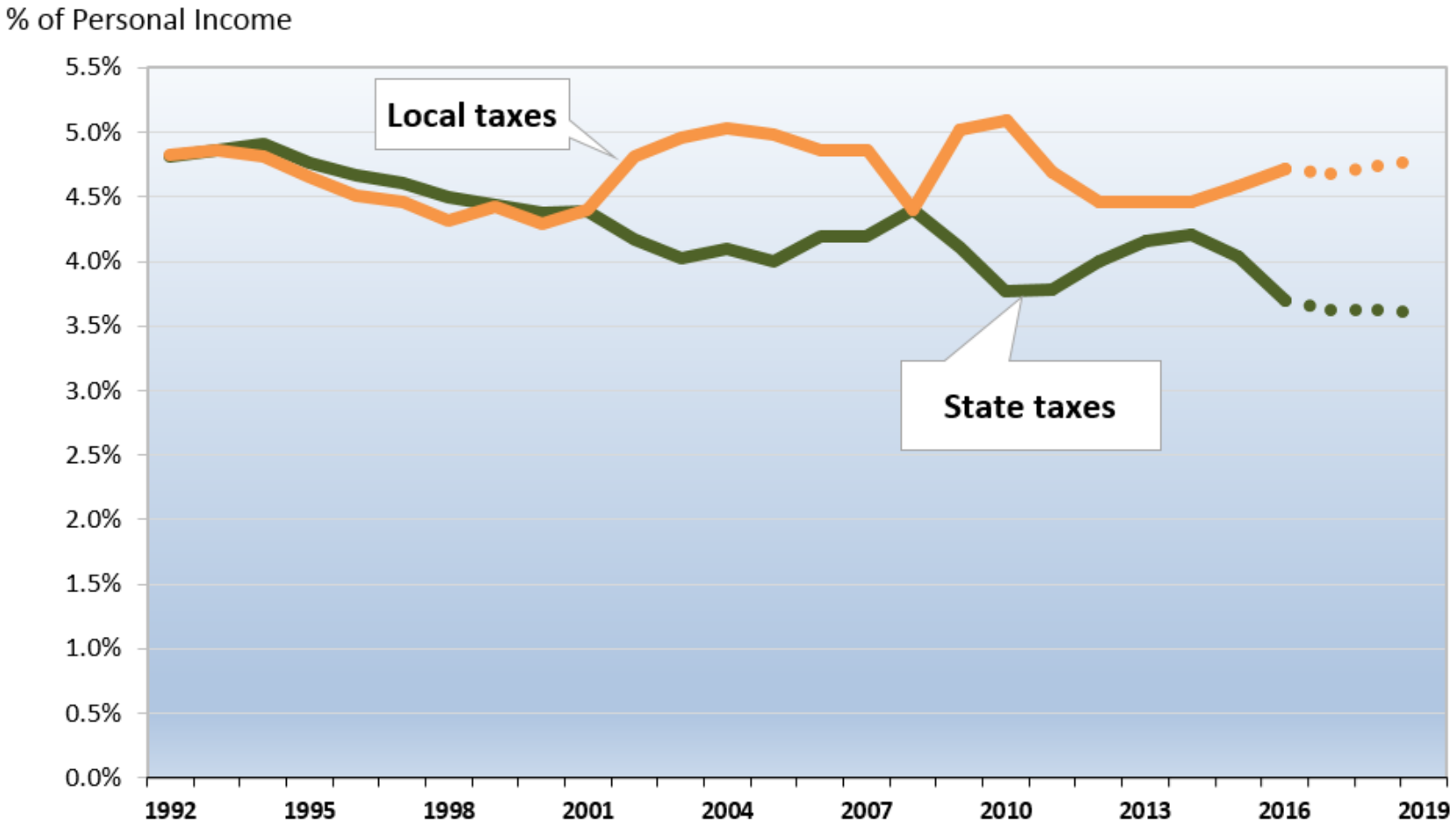
- Medicaid underfunding & “borrowing” from 2017 sessions: $2.6 billion?
- Hurricane Harvey impact on state agencies and school formula aid: $900 million to $2.2 billion
- Remaining transfer due to Highway Fund: $1.8 billion
- **$10.5 billion in “Rainy Day Fund” + $94 million in GR is technically available – but how else can these costs ($4-5.3 B) be covered?**

Texas Is a Two-Tax State:
Property and Sales Taxes



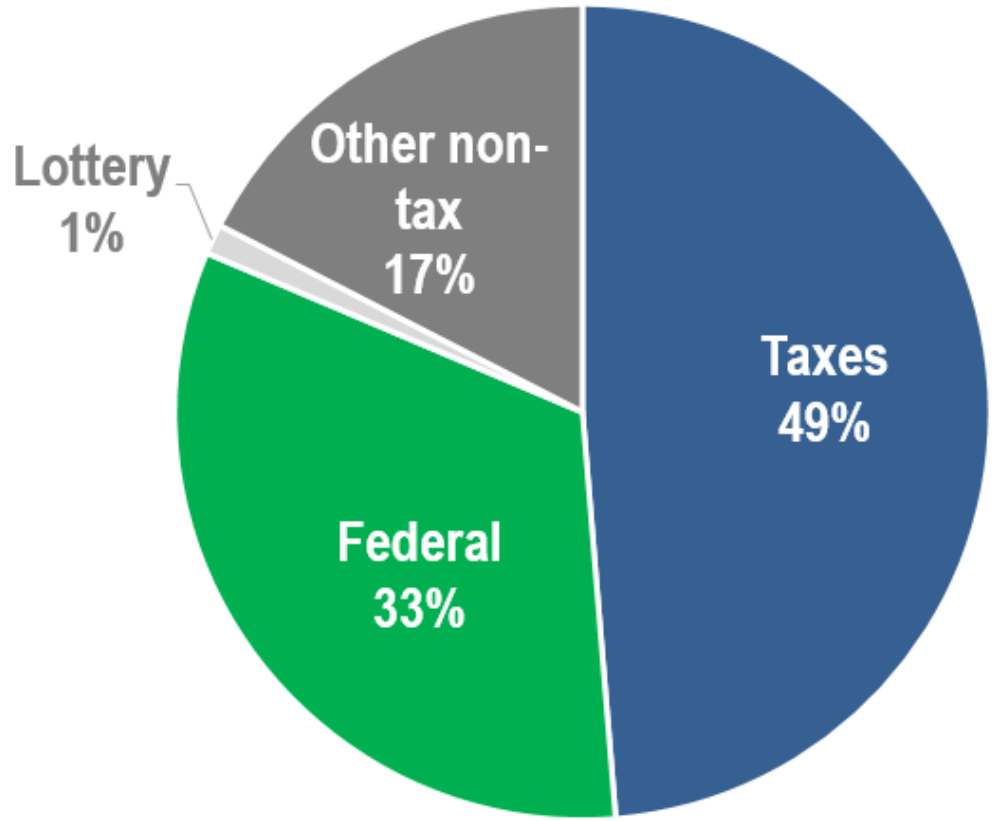
Source: Comptroller of Public Accounts, 2017 Cash Report and 2016 Property Tax Levies (Calculated)

2018-19 State Budget Assumes School Taxes Continue to Rise



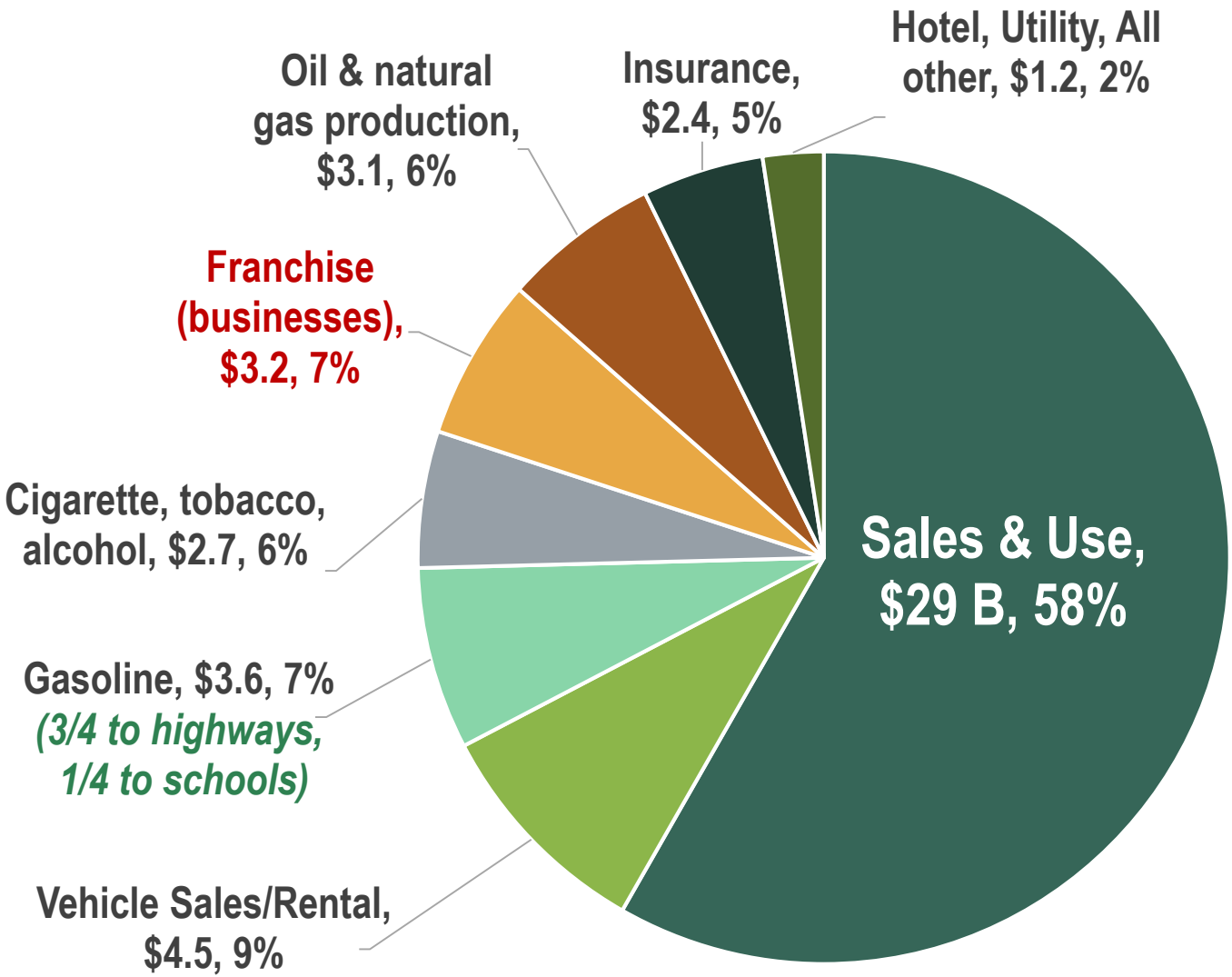
Sources: Comptroller of Public Accounts, U.S. Census Bureau. Dotted lines indicate Biennial Revenue Estimate forecast or budget assumptions.

State Revenue Comes Primarily from Taxes and Federal Support

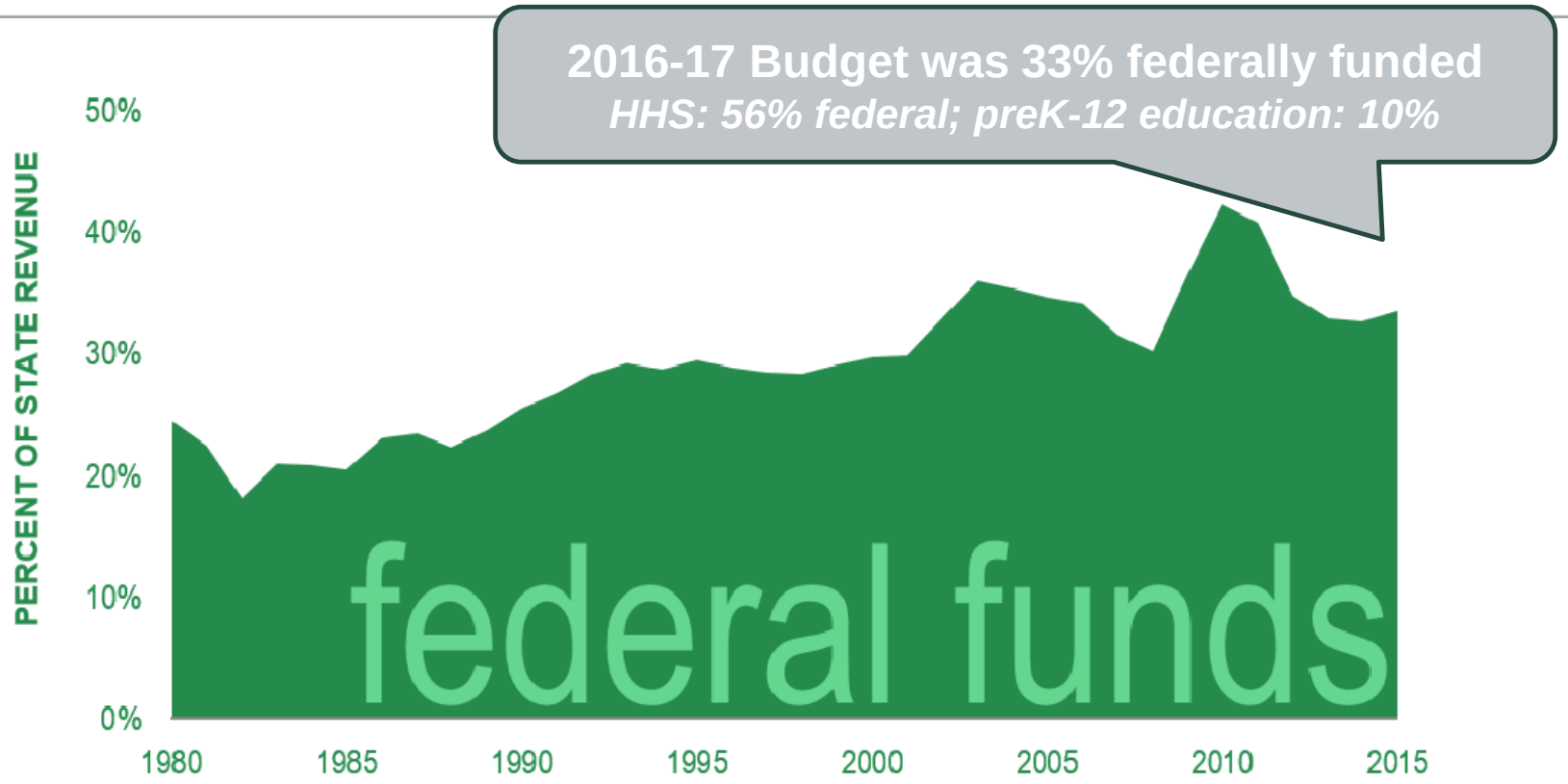


Sources: State revenue from Comptroller of Public Accounts, Certification Revenue Estimate, Oct. 2017; federal revenue from Legislative Budget Board, Dec. 2017.

Closer Look at State Taxes – $50 billion in fiscal 2017

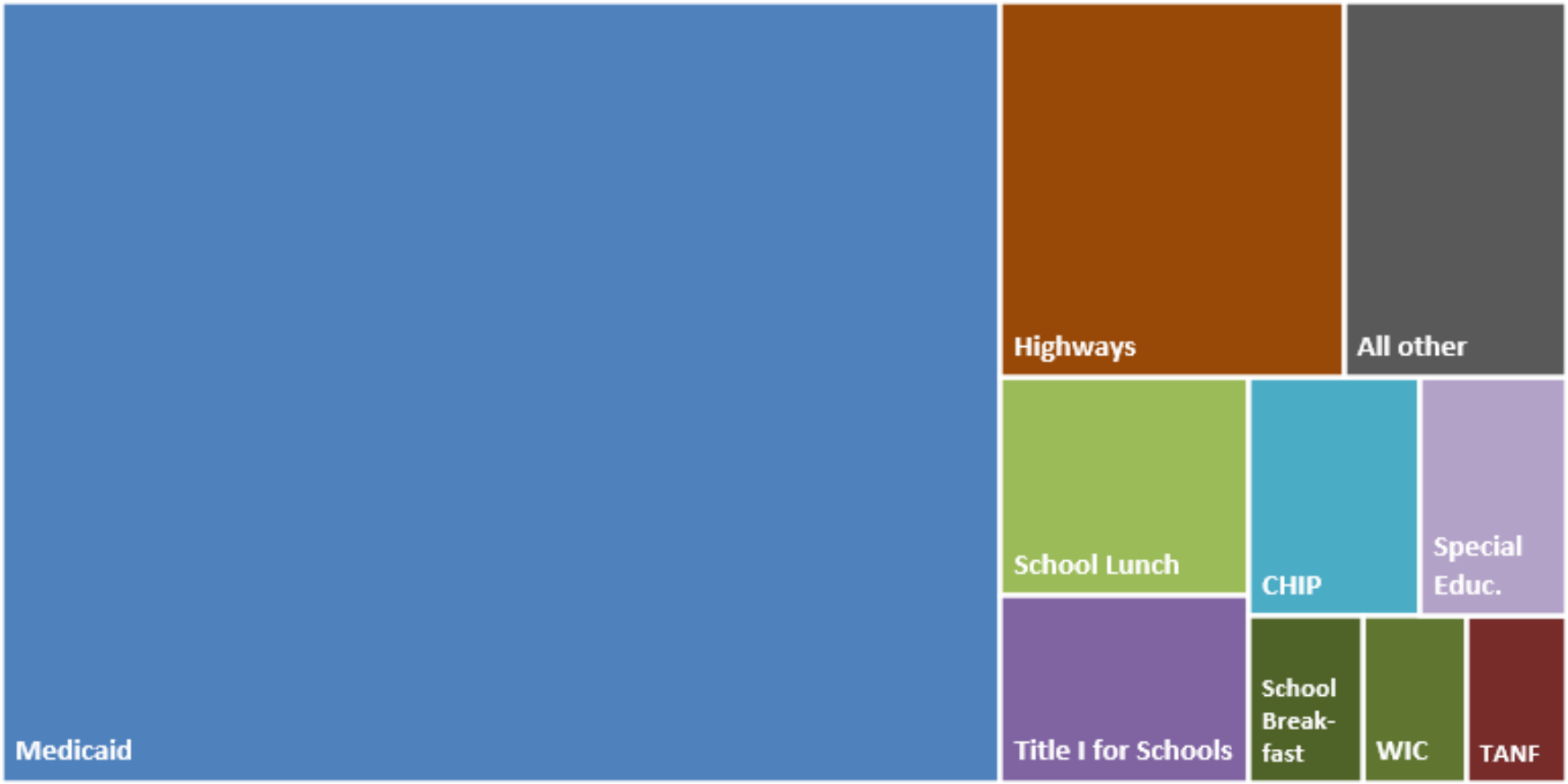


The State Relies on Federal Funding to Support Public Services

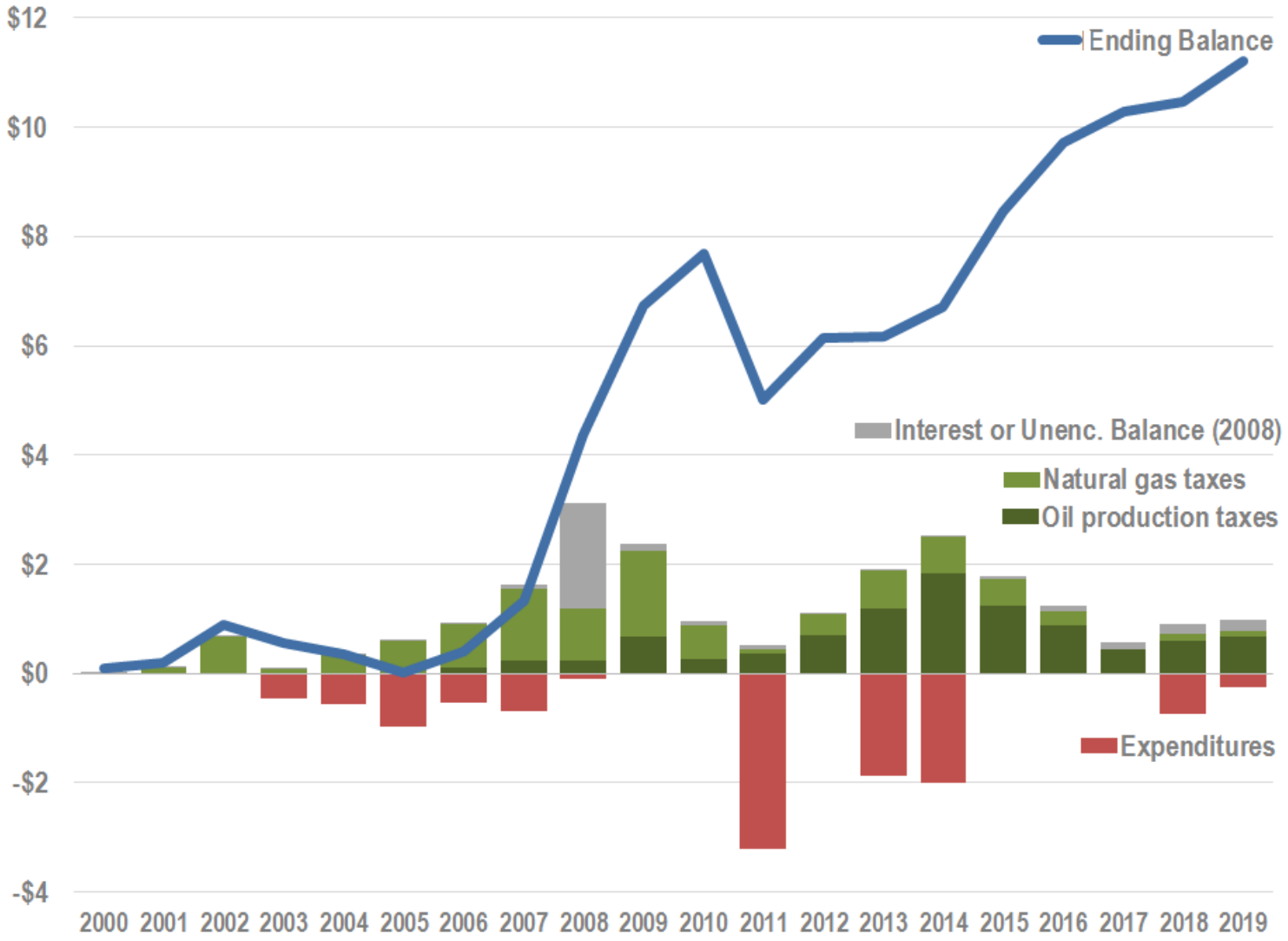


Source: Texas Comptroller of Public Accounts, Texas Net Revenue by Source

Federal Funds in Texas State Budget, 2016



Economic Stabilization Fund (as of Oct. 2017)



Use of the Rainy Day Fund has become a point of contention. Historically, however, the Legislature has used the fund freely.

- In 1991, $29 million was spent on public schools.
- In 1993, $198 million was used for criminal justice.
- The 2003 Legislature spent $1.2 billion from the fund—almost all that legislators expected it to contain through 2005. One-third went to cover CHIP and Medicaid shortfalls for 2003; the remainder was appropriated for 2004-05, mostly to fund retired teachers' health care and to create the Texas Enterprise Fund.
- The 2005 Legislature authorized $1.9 billion in spending: roughly half for 2005 shortfalls and half for 2006-07 budget items (including the new Emerging Technology Fund and child protective services reforms).
- The 2007 Legislature did not appropriate any money from the fund because General Revenue was expected to continue to grow quickly in 2008-09.
- In 2009, the federal government provided $8 billion in stimulus aid that was used in place of General Revenue for the 2010-11 biennium, allowing legislators to leave the fund untouched.
- The 2011 Legislature used $3.2 billion to help close the 2011 revenue shortfall, but chose to cut school funding and create a giant Medicaid "I.O.U." rather than use the Rainy Day Fund upfront for 2012-13.
- The 2013 Legislature spent $1.9 billion for fiscal 2013 to undo a delayed school payment ($1.75 billion) and cover wildfire or natural disaster costs ($185 million) and a state parks shortfall ($0.9 million). Another $2 billion to fund the water plan received voter approval in Nov. 2013.
- 2015 legislation changed how a portion of the Fund balance is invested. Fiscal 2015 is also when a constitutional amendment changed how "excess" oil and gas tax revenue is deposited: starting that year, only half goes to the ESF, the rest to the State Highway Fund.
- The 2017 Legislature used $989 million, mostly for state facilities ($670 million) and grants, such as $110 million for natural disaster aid.

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NASW TEXAS CHAPTER
National Association of Social Workers

The Office of the Ombudsman at HHSC is statutorily directed to support consumers, not providers. There is no provider ombudsman. When a provider has a complaint regarding reimbursement, credentialing, or another issue, two options are open to them:

1.) If the complaint relates to fee for service, the provider is referred to TMHP, and if that does not achieve a successful resolution, it is routed to Medicaid staff at HHSC
2.) If the complaint relates to managed care, the provider is referred to the MCO, and if that does not achieve a successful resolution, it is routed to Medicaid staff at HHSC

Providers are encouraged to share their issues with HHSC through the Health Plan Management (HPM) complaints mail box at: HPM_Complaints@hhsc.state.tx.us. The resolution process is lengthy, and as fee for service has continued to shrink, almost all the complaints fall under the purview of managed care. The first thing HHSC does (per policy as seen above) is refer the complaint back to the MCO for resolution, and HHSC often closes the case. This effectively ends any monitoring of the MCOs' by HHSC and leads to a provider with unresolved issues. This is often after the provider has submitted documentation showing that they tried to resolve the complaint internally with the MCO.

MCOs are required to complete audits of patient records and periodically request those records to audit. Each MCO sets their own criteria for the audit. While there are staff at HHSC who monitor the investigation and appropriate and timely resolution of provider complaints, there is minimal oversight of the auditing process undertaken by MCO's over providers. This has led to a lapse in the oversight and monitoring function of how MCO's handle provider complaints, and in many cases, providers receive erroneous information from the MCO's regarding the auditing process, or have their fees withheld while moving through the appeals process. Additionally, providers are supposed to have their audits reviewed by a provider with a similar background (in this case it would be behavioral health), and yet this seems to be a rare occurrence. Questions have also been raised about the training criteria for auditors.

The most recent data (May 2018) from HHSC regarding managed care compliance and operations Corrective Action Plans (CAPs – HERE), shows 99 instances where the MCO's were non-complaint. Four of those were related to provider complaints:

- Amerigroup & Community First Health Plan [Appealed Claims Aggregate] Appealed Claims Aggregate Failure to resolve at least 98% of Provider Appeals within 30 calendar days of the MCO's receipt. – **Up to $5,000 fine**
- Cigna HealthSpring & Molina [Provider Complaints] The MCO failed to resolve at least 98% of Provider Complaints within 30 calendar days. - **Up to $250 per reporting period if the MCO fails to meet the performance standard**

The punitive and disciplinary actions taken against the MCO's are miniscule when compared to the profits they receive, and thus serve as a minor irritant rather than a deterrent. Providers are subject to extrapolation; so, if one provider session is audited and does not 100% meet standards, then the payer can require reimbursement on up to 2 years of sessions on that patient without ever reviewing the other records. The MCO's are not subject to proportionate penalties for their errors or omissions under HHSC rules, and so provider audits need to be based on a % of elements passed, not 100% wrong over one or a few elements.

Independent Provider Health Plan Monitor

We are concerned that a provider ombudsman would not have the authority needed to adequately address complaints and are therefore recommending the creation of an Independent Provider Health Plan Monitor (IPHPM) to review complaints, reach a disposition and assess significant penalties to MCO's not in compliance with the rules. We feel that this position should be housed at TDI rather than HHSC to ensure that their reviews would be impartial. Currently, HHSC does not have the capacity to uniquely describe complaints: "billing" encompasses a wide variety of problems, and nothing in the system signifies the unique issue raised by the provider. An IPHPM could help collect more detailed data regarding complaints, giving us a better picture of the health of the network. The creation of an IHPHM could encourage providers to remain in the network through an equitable complaints process, create less confusion about which rules apply to which plans, and allow HHSC to focus on contracting and network adequacy.

Will Francis - Government Relations Director, NASW/TX – wfrancis.naswtx@socialworkers.org (512) 474-1454

HHS Office of the Ombudsman Update

Presented to
CHC Coalition
June 15, 2018

TEXAS
Health and Human Services

Total Ombudsman Contacts for 3rd Quarter FY 2018

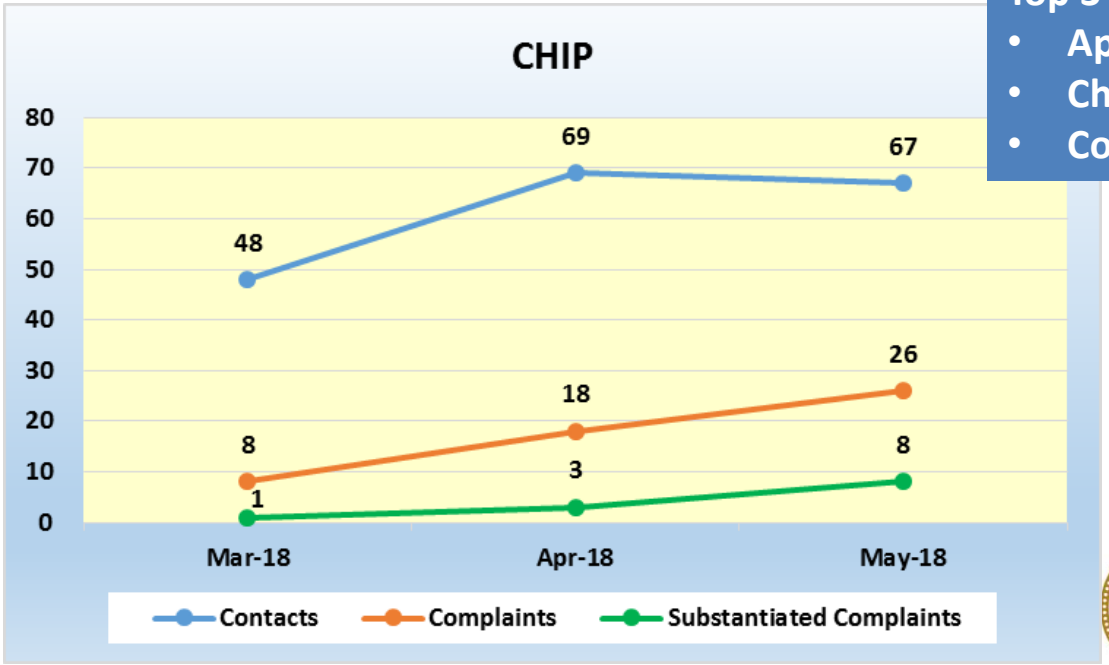
- Complaints – 6,776
- Inquiries – 13,608

TEXAS Health and Human Services

Contact Volumes and Top Three Reasons for Contact by Program Type 3rd Quarter FY 2018

TEXAS Health and Human Services

Contact Volumes by Program Type
3rd Quarter FY 2018

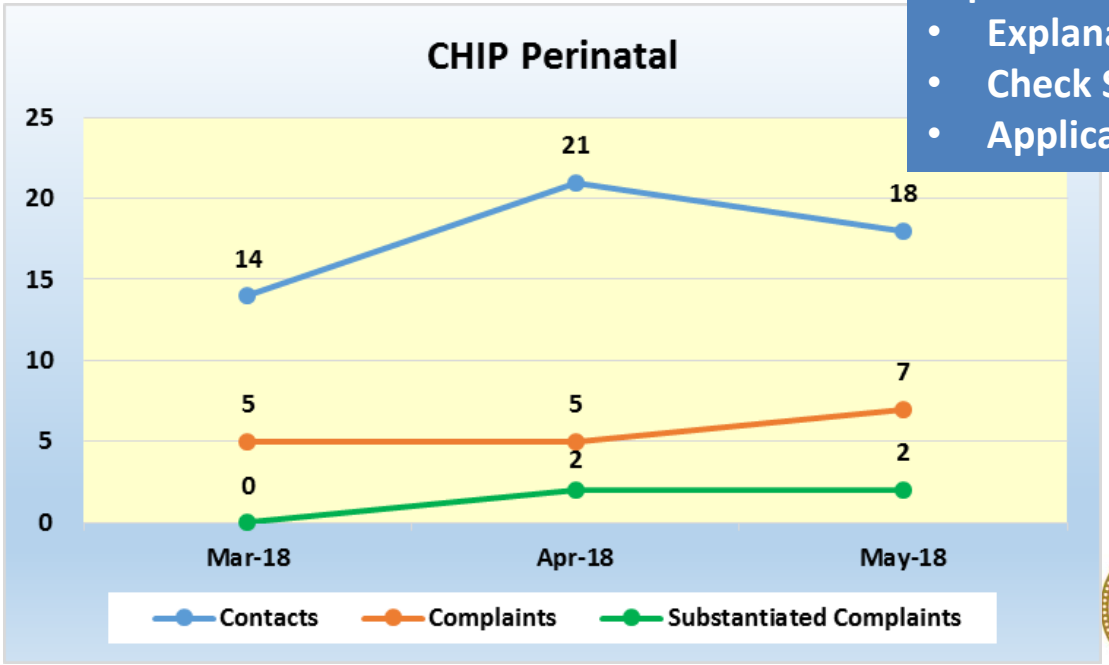


Top 3 Contacts – CHIP

- Application/Case Denied
- Check Status
- Contact Info Request

TEXAS Health and Human Services

Contact Volumes by Program Type
3rd Quarter FY 2018

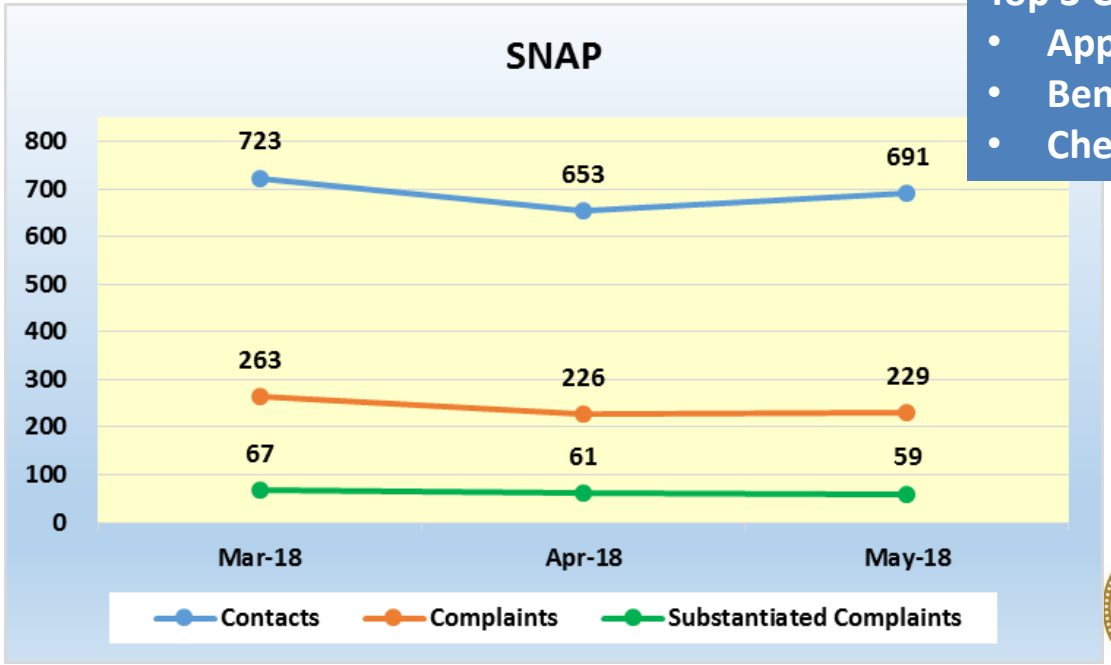


Top 3 Contacts – CHIP - P

- Explanation of Benefits/Policy
- Check Status
- Application/Case Denied

TEXAS Health and Human Services

Contact Volumes by Program Type
3rd Quarter FY 2018

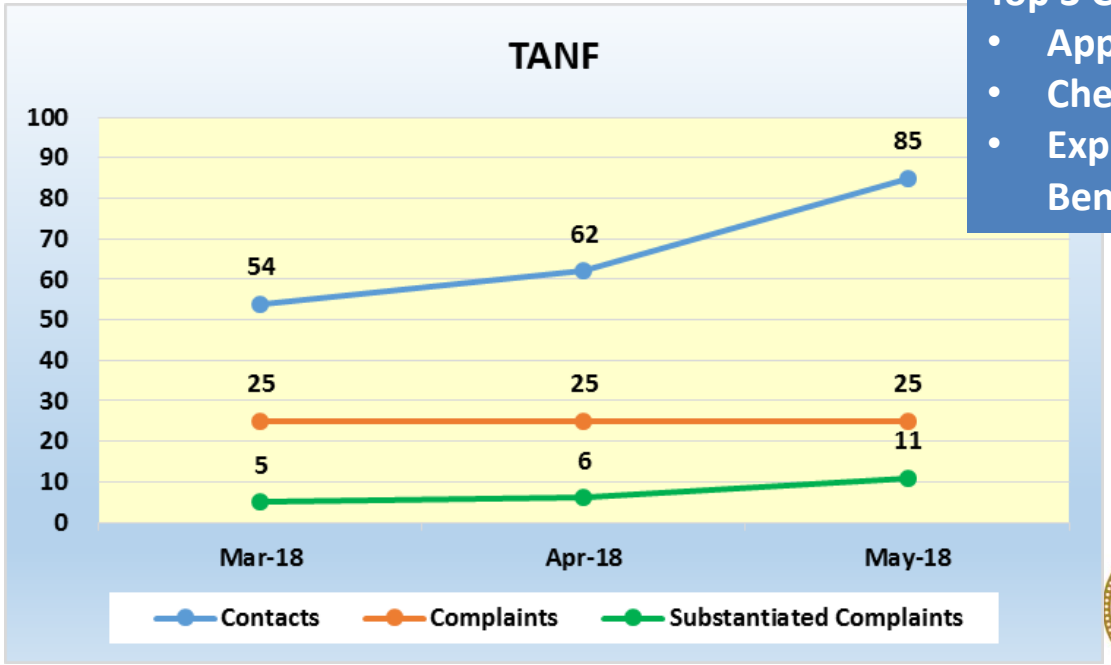


Top 3 Contacts – SNAP

- Application/Case Denied
- Benefit Amount
- Check Status

TEXAS Health and Human Services

Contact Volumes by Program Type
3rd Quarter FY 2018



Top 3 Contacts – TANF

- **Application/Case Denied**
- **Check Status**
- **Explanation of Benefits/Policy**

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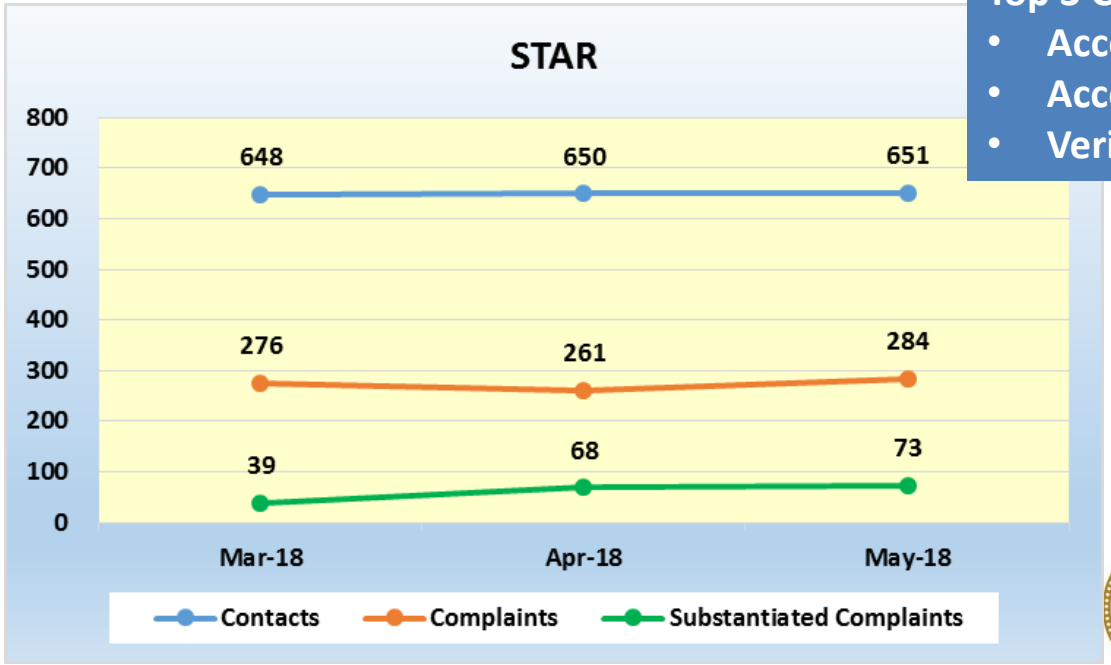
Contact Volumes by Program Type
3rd Quarter FY 2018



Top 3 Contacts – STAR

- Access to Prescriptions
- Access to PCP/Change PCP
- Verify Health Coverage

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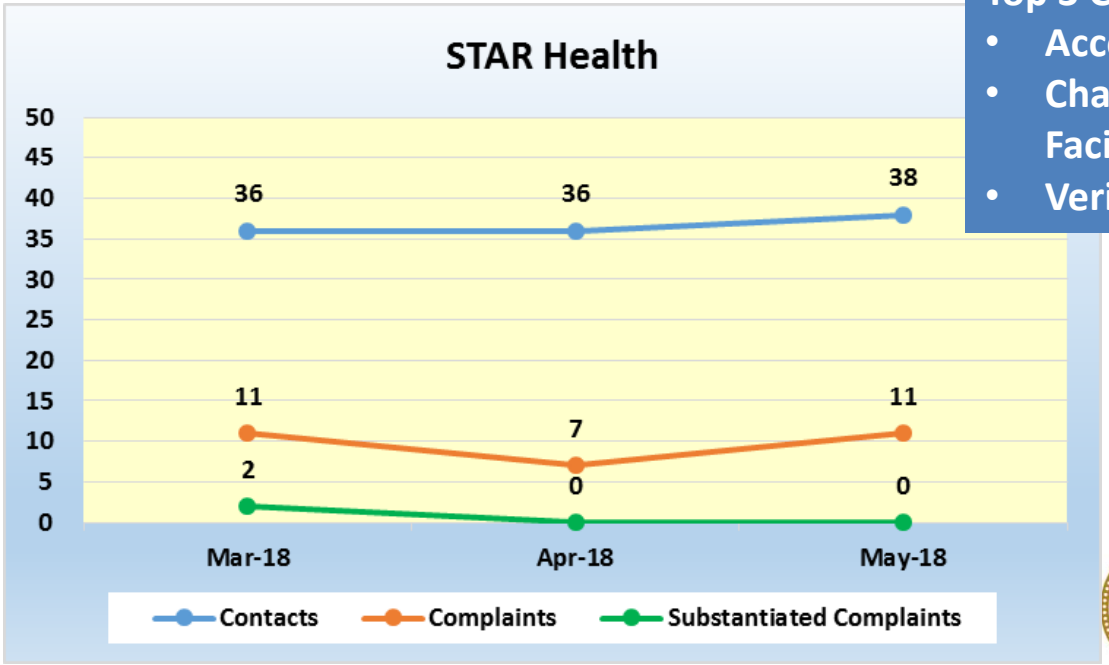
Contact Volumes by Program Type
3rd Quarter FY 2018

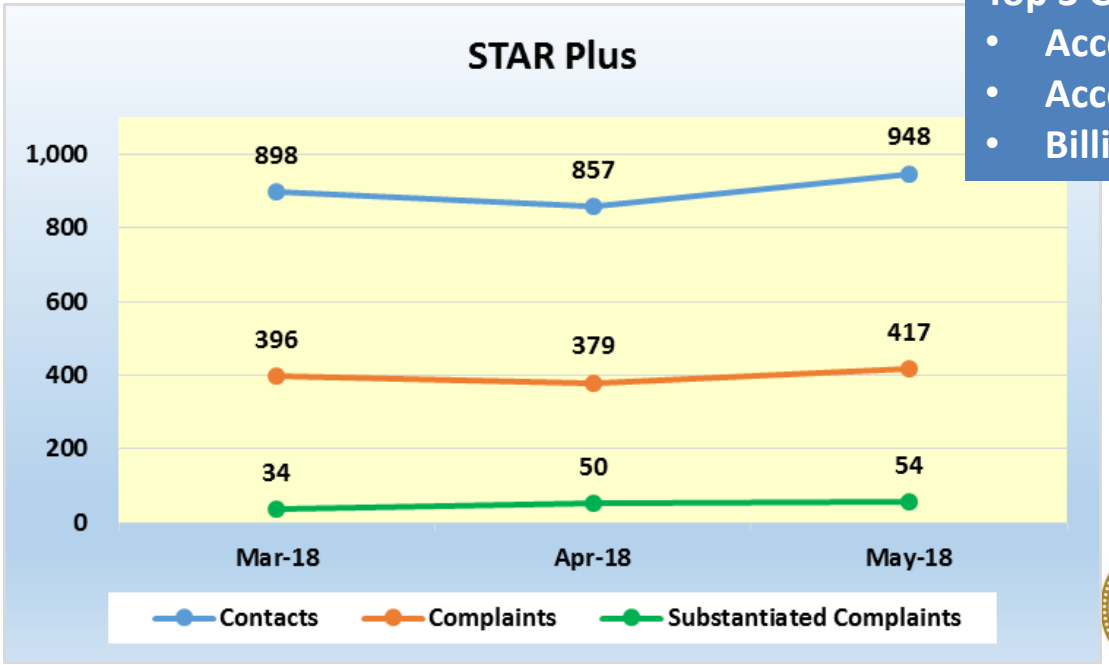


Top 3 Contacts – STAR Health

- Access to PCP/Change PCP
- Change Plan-Provider (PCP, Facility, DME)
- Verify Health Coverage

TEXAS Health and Human Services

Contact Volumes by Program Type
3rd Quarter FY 2018

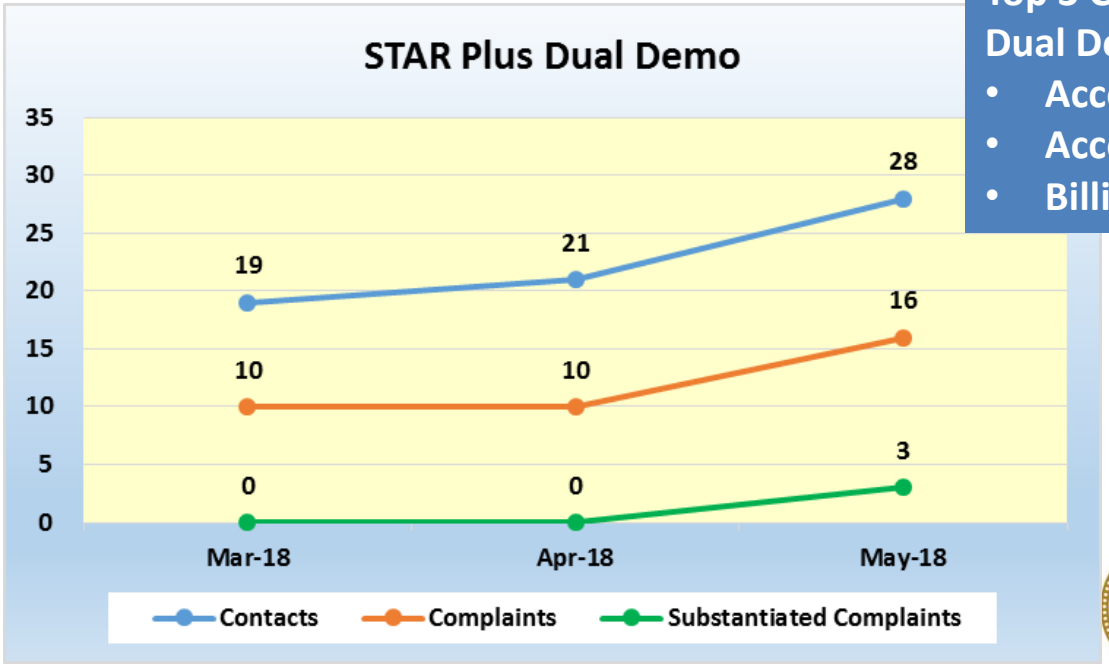


Top 3 Contacts – STAR Plus

- Access to Long Term Care
- Access to Prescriptions
- Billing Issues

TEXAS Health and Human Services

Contact Volumes by Program Type
3rd Quarter FY 2018

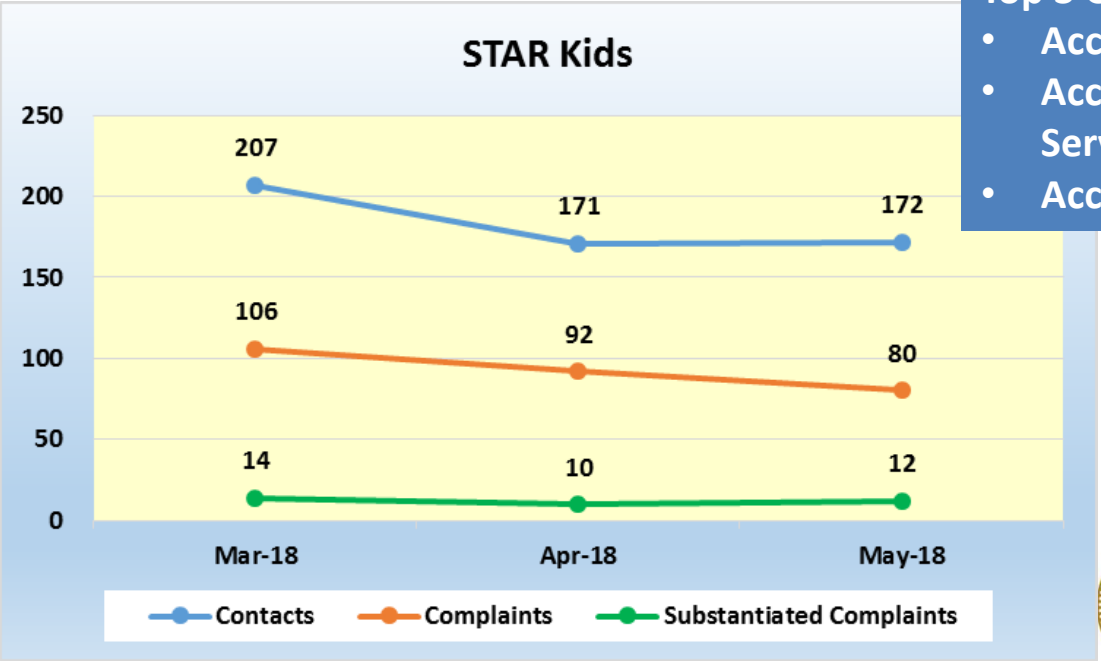


Top 3 Contacts – STAR Plus Dual Demo

- Access to Long Term Care
- Access to Prescriptions
- Billing Issues

TEXAS Health and Human Services

Contact Volumes by Program Type
3rd Quarter FY 2018



Top 3 Contacts – STAR Kids

- Access to Prescriptions
- Access to Long Term Care Services
- Access to PCP/Change PCP

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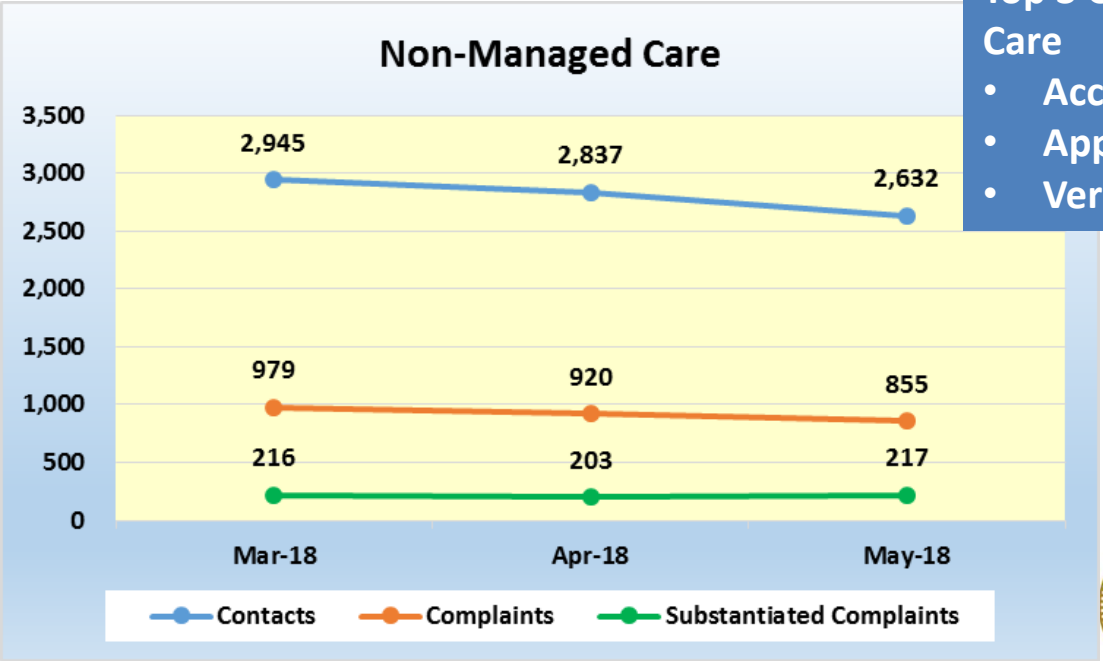
Contact Volumes by Program Type
3rd Quarter FY 2018



Top 3 Contacts – Non Managed Care

- Access to Prescriptions
- Application/Case Denied
- Verify Health Coverage

TEXAS Health and Human Services

FOSTER CARE OMBUDSMAN

TEXAS
Health and Human
Services

Foster Care Ombudsman Program
3rd Quarter FY 2018

Contact Volume 3rd Quarter FY 2018	
Foster Care Youth	80 (47%)
Total Contacts	170

Top Three Reasons for Contact 3rd Quarter FY 2018
Rights of Children and Youth in Foster Care
Not all facts documented in IMPACT
Caseworker not responding to phone calls

Information Shared

- Preparation for Adult Living (PAL)
- Court Appointed Special Advocates (CASA)
- Department of Family Protective Services (DFPS)

TEXAS Health and Human Services

Ombudsman Managed Care Assistance Team

UPDATE

- All new positions filled
- Ombudsman 101 Training

TEXAS Health and Human Services

Contact us

Phone (Toll-free)
Main Line: 877-787-8999
Managed Care Help: 866-566-8989
Foster Care Help: 844-286-0769
Relay Texas: 7-1-1

Online
hhs.texas.gov/ombudsman

Fax (Toll-free)
888-780-8099

Mail
HHS Ombudsman
P. O. Box 13247
Austin, Texas 78711-3247

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