CHILDREN'S HEALTH COVERAGE COALITION
FORMERLY THE CHIP COALITION

September Children's Health Coverage Coalition Meeting
Friday, September 21st
11:00 p.m. - 1:00 p.m.

Children's Health Coverage Coalition Minutes
Friday, September 19, 2018 @ TMA

Present:

Kate Hendrix, Texas Hospital Association
Leah Gonzalez, Texas Women Health Coalition/ Healthy Futures of Texas
Krista Del Gallo, Texas Council on Family Violence
Clayton Travis, Texas Pediatric Society
Christina Phamvu, Methodist Healthcare Ministries
Helen Kent Davis, Texas Medical Association
Stephanie Rubin, Texans Care for Children
Alissa Sughrue, National Alliance on Mental Illness
Arinda Rodriguez, Center for Public Policy Priorities

On Conference Line:

Belinda Olivo, Maximus, THSteps/STAR Programs
Diane Rhodes, Texas Dental Association
Christina Hoppe – Children's Hospital Association - TX

Meeting Chair: Stephanie Rubin, Texans Care for Children
Meeting Scribe: Arinda Rodriguez, CPPP

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Friday, September 21st
11:00 p.m. - 1:00 p.m.

1. **Introductions (5 minutes)**
2. **September Interim Hearings Recap (15 minutes)**

House Public Health Committee Interim Hearing, September 13th – women's health programs; maternal health, birth outcomes

[Stephanie Rubin]

The hearing included a presentation from Dr. Hollier and Dr. Hellerstadt at DSHS on the new Maternal Mortality and Morbidity Task Force report. They presented the new data, findings, and recommendations for the state

Lesley French presented update on women's health programs and LARC efforts, but there is no new data from Lesley French. We had thought they might present new data on number of clients served by each provider in HTW -- data that is required by rider and HHSC did not include in its recent report.

There was testimony from Texans Care and TexProtects as well as questions from members (Rep. Oliverson) about the number of women who are uninsured before pregnancy.

There were also questions from Rep. Price about auto-enrollment from Medicaid into HTW – how is the process going? Are women actually getting into services after auto-enrollment?

There was lots of public testimony from health groups, advocates for coverage expansion, groups working on fetal alcohol issues, etc.

[Alissa Sughrue]

There was push back on the Medicaid extension.

There was also discussion around auto-enrollment of aging-out teens that was really helpful, they emphasized there would $50 million in savings.

[Clayton Travis]

This has to be up there as a priority where they could sell auto-enrollment of pregnant women into Healthy Texas Women.

Senate Health and Human Services Committee – September 12th – maternal mortality and morbidity

[Stephanie Rubin]

This hearing was invited testimony only; no public; written public testimony was allowed.

Hellerstadt and Hollier were given very limited amount of time to testify. They provided data on Task Force findings and recommendations.

Schwertner and Kolkhorst talked about how the new DSHS data gives us more accurate numbers on maternal mortality and corrects errors from past reports.

Schwertner emphasized difference between pregnancy-related death (cardiac, hemorrhage, sepsis) and pregnancy-associated death (homicide, suicide, overdose). He's been harping on this distinction for some time.

Kolkhorst mentioned that the bill last session is one of many steps the legislature should take on maternal health.

Watson asked questions around C-section rates and if that is associated with maternal mortality or complications.

Senator Watson had questions around aim bundles and C-section rates, questioning whether it was a priority or an issue for later.

Dr. Hellerstadt and Hollier talked about the interest of hospitals.

[Helen Kent Davis]

Aim bundles:

The hemorrhage is the easiest to implement, but it was chosen because it has a high impact and it is relatively easy to implement on a short period of time. That's why they chose hemorrhage.

There is discussion about C-section rates, but what the right rate is very much unsettled in the clinical community.

- Question:
  - **[Clayton Travis]** Are we way over the possible rate though?
    - **[Helen Kent Davis**] It depends on other health concerns that affect C-section.

[Clayton Travis]

There was discussion around Star Health.

Medical director for Superior testified. He got a lot of hard questions about where they are in their metrics, what their expected performance should be, specifically with the 3 and 30 day screens/exams.

Dr. Schwertner specifically asked why they are not meeting the 3 and 30, and they didn't have a good answer, this question was also asked last year.

TPS is following up, and continuing conversations about Medicaid Managed care and see where we can make improvements.

Stephanie Muth also talked about how 3 day exams are happening effectively.

Essentially, the 3 day exam is going well, but not the 30 day exams.

A challenge is educating the physician community about the overlap of these tests and why you have distinct visits.

[Helen Kent Davis]

An incentive program is in the works to help physicians transition into Star Health.

- Question:
  - **[Krista Del Gallo]** What is the distinction between pregnancy related and pregnancy associated? Why was the senator trying to make this distinction?
    - **[Helen Kent Davis]** There's different types of interventions for each one of these issues. They want additional funds for training on these interventions.
    - **[Leah Gonzalez]** It's important to know the differences between these two, but the report also states there is a high risk for certain women of color. To a certain extent whether it is related or associated it doesn't matter. Black women have higher risks of pregnancy related issues.

3. HHSC LLB Budget Hearing Recap (20 minutes)

[Clayton Travis]

[Refer to Slide 10]: Critical Budget Issues for Fiscal Year 2019

[Refer to Slide 11]: Critical Budget Issues for Fiscal Year 2019 Cont.

MCO Payment Delay: The impact of delaying is scary part because if they don't take care of this, they can see cash flows as a problem by May 2019, I don't expect that to happen, but having to think about and have that conversation is concerning.

[Refer to Slide 12]: Key Budget Drivers

[Refer to Slide 13]: Medicaid Caseloads by Group – FYs 2000-2021

- Caseloads are relatively flat, but because we don't have new populations coming in. However, our children's population continues to go up, and the amount of needed funding continues to go up by at least 1%. The caseload growth is affected by the growing number of low-income children.
- Cost-growth for TX Medicaid program
  - TX Medicaid is not running rampant, it is relatively stable as it compares to other Medicaid programs.
- Benefit changes are pretty slim. We haven't had an increase and we are not giving Medicaid any additional benefits.

Questions about case load?

- Is public charge affecting case load growth yet?
  - The short answer is yes.
  - I've heard from WIC offices that their numbers are decreasing.
  - Trump administration could come out with Public Charge rule as early of today, that's the latest we know. Contact Anne Dunkelberg to join the advocacy group that opposes the public charge rule.

[Refer to Slide 14]: CHIP Caseloads – FY 2000 - 2021

Chip caseloads are not of special concern.

[Refer to Slide 17 and 18]: Exceptional Item Requests

Important to highlight that the list that they've provided on their exceptional items is prioritized. They've also categorized them.

[Refer to Slide 19]: Category 1 Maintaining current funding for client services

It specifically pointed out and drew LBB attention to ECI services. More than $70 million ask in their E.I. list.

The LAR included an explanation about internal and external influences that have affected ECI funding, and this argument helps make the case for more ECI funding.

One thing that is concerning is that they seem to accept that ECI contractors are increasingly relying on local fundraising but local fundraising is not something we want legislators to accept as part of the bargain for signing up for ECI.

The LAR points out that the child development outcomes of this program are important to getting kids on the right track.

Also, please note that we have a place holder for women's health program services.

Question:

- **[Krista Del Gallo]** So the money that would go into HHSC for women's health would go to the Healthy Texas Women or Family Planning Program?
  - Technically yes, both the Healthy Texas Women and the Family Planning program are under HHSC.

[Refer to Slide 20]: Category 2 Comply with State and Federal Laws and Regulations

During last month's CHCC meeting we talked about Telemedicine.

Under category 2 there is a Pediatric Telemedicine Grant Program that will seek to help rural hospitals get on their feet and get the ability to contract with other hospitals that may be able to provide additional care.

[Refer to Slide 23]: Category 4 Provide Critical Support, Staffing, and Infrastructure for Procurement and Contract Oversight Functions

This category is helpful to the discussions about the oversight of Medicaid managed care contract.

[Refer to Slide 24]: Category 5 Address Capacity Demands for Behavioral Health Services

This covers the topic of renovating state hospitals.

There was also a lot of focus on first episode psychosis programs to identify teens or young adults who are experiencing those first episodes. NAMI testified in favor of this and they have also visited legislative offices to advocate for this program.

[Stephanie Rubin]

It is worth noting that there were some things missing from the LAR:

- Funding for youth substance use prevention. programs in schools. It was unclear how much was going to be used between youth and adult treatment.
- Funding for increased coverage for low-income Texans (Medicaid expansion)
- Funding for suicide prevention efforts – specifically dissemination and implementation of Suicide Safer Schools Took Kit. We were surprised there wasn't more on this topic given the CDC data on suicides in TX.
- Budget rider to evaluate psychiatric residential treatment centers (RTC) for quality, NAMI might know more about this.
    - RTCs are all over the place.
    - TPS supported the Family First at National Level, specifically because of clinical standards regarding foster care.
    - Family First Discussion:
        - Once we implement, funding needs to be used to improve quality of congregate care/group settings.
        - There is going to be a dichotomy where one group of kids might be placed in better quality facilities compared to those who are already receiving services.
        - We are still waiting for more guidance at the federal level.

[Refer to Slide 26]: Category 7 Improve Access to Needed Client Services

Provides intensive behavioral health intervention for children with Autism Spectrum disorder. It should be noted that our TX Medicaid program does not reimburse for best practice autism services.

LAR Testimonies from Present Organizations

[Stephanie Rubin]

The LAR for TEA regarding mental health support for students is about $30 million, if you calculate what that would be per student, it's a tiny investment. There is no additional funding in the HHSC budget to address student mental health which is a concern. NAMI, Texans Care and others have been pushing for a school mental health bill (Rep. Price) but are unsure of how that plays out in the budget.

[Helen Kent Davis]

Regarding school health services, parents are raising concerns about privacy and what happens with students' information of those who seek these services.

- That was a big part of the school violence and safety hearings. We had parents raise concerns about their children receiving services and how that data would be used.

TMA, TPS, and others have advocated for the following:

- Coverage for women of reproductive age
  - Advocating for a system that helps women stay health before, during, and after pregnancy.
  - We can't assume we can treat a woman's chronic conditions on the day they find out they are pregnant.
- Need for better services state wide for neonatal abstinence syndrome
- Keeping mothers together with their baby when there is maternal substance use, if safe.
- Better access for people in small communities
- Mental health treatment post-partum
  - Place holder on substance abuse was vague
- Supporting additional funding for ECI

NAMI

- Advocated for Family violence program
- We recommended for a Medicaid code and try to get funding for certified family partners.

4. Debrief from Working group (30 minutes)

[Refer to List of Policy Priorities]

The conversation certainly moved beyond maternal/child health issues.

For our purposes, looking at this list, what are the key issues you think that this coalition needs to make a priority? After deciding that, we can then determine other key items that other coalitions are probably pursuing and list them as items that we can possibly support without taking the lead.

[Stephanie Rubin]

Looking at policy priorities draft, are there any priorities that your organization would not support? What should we not have as a priority?

[Helen Kent Davis]

- Contraception falls more directly with the Women's Health Coalition rather than the CHCC

Perhaps folks should take some time to read through the policy priorities list and send comments to Arinda.

Also, I would say from the maternal/child health meeting the big topics emerged were a) continuous coverage and access (better transition between programs); b) Medicaid managed care reforms; c) budget issues.

[Clayton Travis]

I would suggest that we determine 3 -5 priorities, which are the priorities that we are going to pass on behalf of the coalition, and have some supportive items that may not get attention in other coalitions.

We also may need to have another subgroup meeting before the next CHCC meeting in order to further filter our priorities list.

Next meeting we should probably share the priorities of other coalitions and our respective organizations that participate in this coalition, but that are also part of other coalitions.

Question:
[Krista Del Gallo] In terms of budget priorities, the Family Bound Program is a separate funding item within the HHSC. That's not a discrete proposal that you would be right behind, so in what way do you broadcast your priorities?

- We create a written document and reveal it in a briefing during session.

Do CHAT and THA have any additional items?

[Christina Hoppe]

We are still trying to figure out some work around the money that is moving away from children's waiver. Send me a bullet on the financial mechanism.

[Clayton Travis]

Strategically, we (TPS) aren't being too outspoken on the health foster care, because we had a big ask last year on the 3 on 30.

STAR Health might need to be its own piece of legislation because of its uniqueness

Texas Casa, Texans Care and NAMI have advocated for:

- Continuity coverage around foster care health
- Kids transitioning to adulthood being dropped due to technicalities
- There has been some work done already three years ago on making it easier for older foster youth to remain covered.

We briefly talked about STAR Health, but we may need to revisit on having something more specific goals around foster care.

Also, there is a 30 million dollar boost for prevention services within the DFPS budget.

[Alissa Sughrue]

I want to share that we have a good working group going for the first episode psychosis legislative piece, but if the coalition could get behind it, it would help greatly.

Also, we are seeking to expand the number of teams in rural and urban areas for first episode psychosis support teams.

[Clayton Travis]

I will look at the priorities document, and have a separate list of supportive issues. We can review it on our planning call on Tuesday, which will be in preparation of next month's meeting. I may propose that everyone look at the new draft, and that we spent the interim between September and October discussing the priorities, so by November we can vote on final priorities. We can do a press release, and then in January we have our briefing. The briefing is dual purpose, basic education around children's health, and the unveiling of our priorities and educating on those.

Also, please know that the Child Protection Roundtable is voting on Monday 9/24 on their priorities.

Email Arinda if you have a suggested item/topic for October's meeting.

[Krista Del Gallo]

October is domestic violence month. Health care domestic violence day is an event in which health care providers can talk about ways in which they can provide support. This day is October 10th.

[Stephanie Rubin]

Also, we should try to get new HHSC commissioner at an upcoming meeting.

5. CHCC Lege Agenda (50 minutes)

Proposed timeline for setting coalition Agenda:

- review policy priorities document on our planning call on Tuesday 9/25
- have full coalition weigh in on the document at October 19th CHCC meeting
- vote on priorities at November CHCC meeting

Legislative Appropriations Request for Fiscal Years 2020-2021

Cecile Young
Acting Executive Commissioner

Victoria Ford
Chief Policy Officer

Enrique Marquez
Chief Program & Services Officer

Trey Wood
Chief Financial Officer

September 19, 2018

TEXAS
Health and Human Services

TEXAS
Health and Human Services

Presentation Overview

- Mission & Vision
- Agency Overview
- Organizational Chart
- Key Functions
- Major Accomplishments
- Critical Budget Issues
- Key Budget Drivers & Charts
- Summary of Request
- Summary of Exceptional Item Requests
- Appendix
  - A – Exceptional Item Priority List
  - B – Administrator Statement
  - C – Transformation Enablement Platform

Mission & Vision

Our Mission:

- Improving the health, safety, and well-being of Texans with good stewardship of public resources

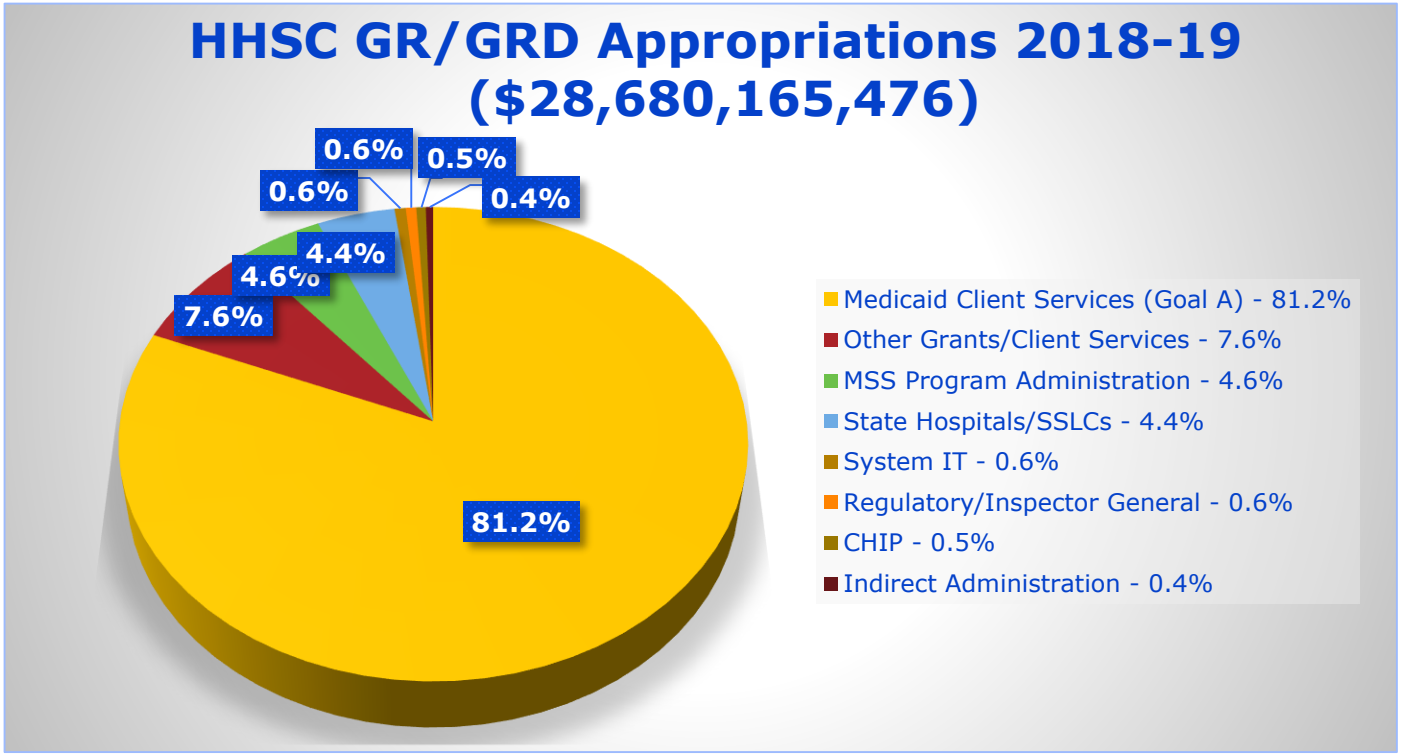
Our Vision:

- Making a difference in the lives of the people we serve

Agency Overview

- Total FTEs: 39,586

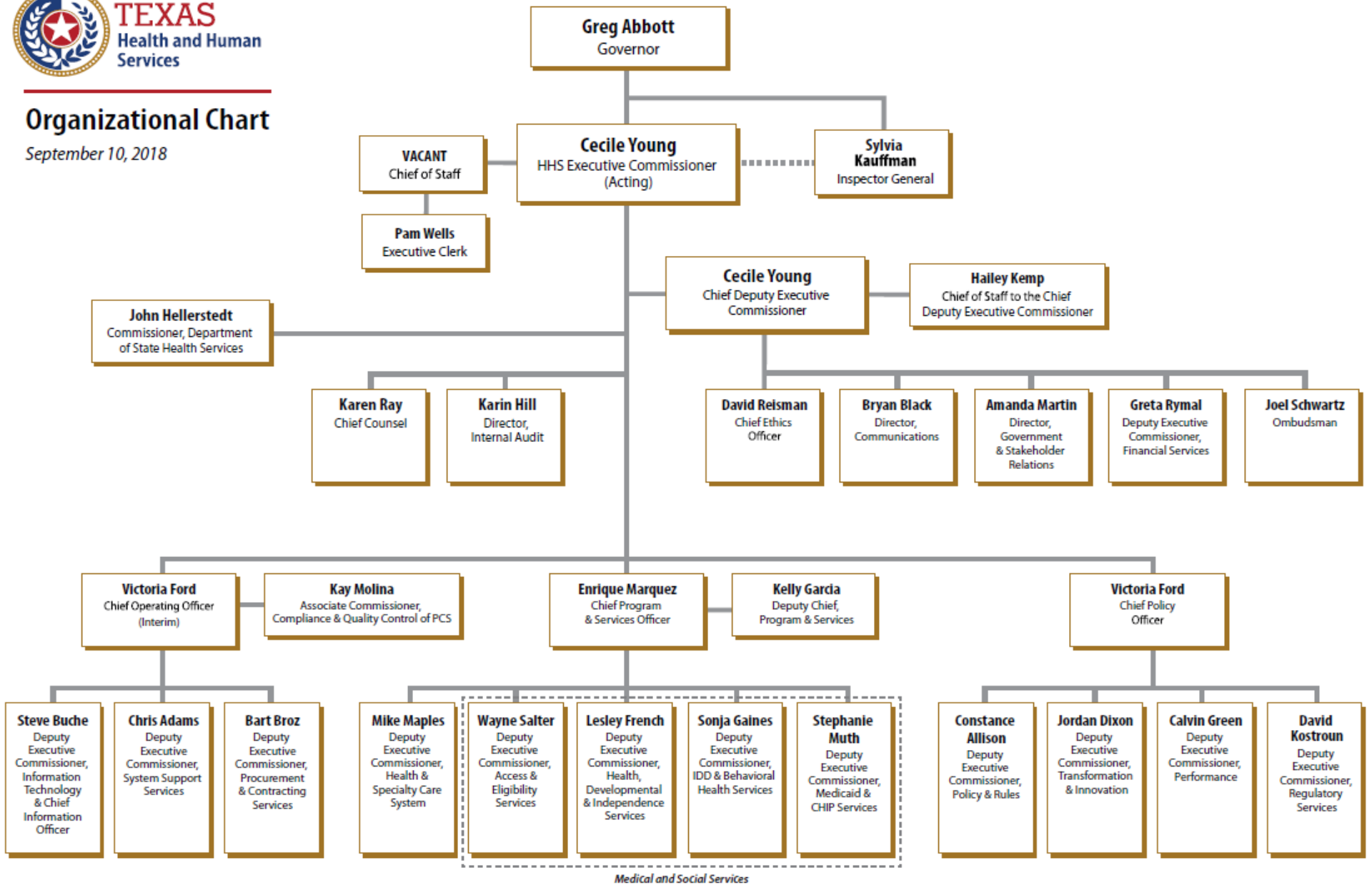
FY 2018-2019 Expended/Budgeted	FY 2020-2021 Requested
$77,508,766,079	$77,343,682,930



TEXAS Health and Human Services

Organizational Chart

September 10, 2018



Key Functions

- Provides oversight and administrative support for Health and Human Services (HHS) agencies
- Administers the state's Medicaid, women's health, behavioral health, and other client services programs
- Provides a comprehensive array of long-term services and supports for people with disabilities and people age 60 and older
- Operates state psychiatric hospitals and state supported living centers (SSLCs)
- Regulates healthcare providers, professions, and facilities
- Sets policies, defines covered benefits, and determines eligibility for client services programs

Major Accomplishments

Transformation

September 1, 2016

- Transferred client services to the Health and Human Services Commission's (HHSC's) new Medical & Social Services Division
- Consolidated most administrative services
- Abolished the Department of Assistive and Rehabilitative Services (DARS) and transferred functions to HHSC

September 1, 2017

- Created the Chief Policy Office, Health & Specialty Care System Division, and Regulatory Services Division
- Consolidated the remaining administrative services
- Abolished the Department of Aging and Disability Services (DADS) and transferred functions to HHSC
- Made the Department of Family and Protective Services (DFPS) a standalone agency, but HHSC continues to provide some administrative services

Major Accomplishments

HHS System Improvements

- Implemented an efficient and effective centralized system of administrative services to support programs
  - Expanded Information Technology (IT) governance to ensure business needs are met
  - Consolidated DFPS and DSHS IT Help Desks into the HHS Consolidated Help Desk
  - Standardized information security policies
  - Consolidated records management services
- Strengthened contract oversight, improved procurement processes, and reorganized contracting operations following a series of audits
  - Updated the HHS Solicitation Checklist
  - Created a new Compliance and Quality Control function
  - Hired a consultant to assess and re-design current procurement and contracting practices
- Developed and published a new Human Resources policy manual and guidance handbook

Major Accomplishments

Program and Service Delivery Improvements

- Negotiated a five-year extension for the Medicaid 1115 Transformation Waiver
- Established an on-site operational review process of managed care organizations' (MCOs') compliance with agency policies, practices, and performance standards
- Developed and began implementing the first phase of the Comprehensive Plan for State Funded Inpatient Mental Health Services
- Improved the delivery and coordination of mental health and substance abuse services across the state
- Supported individuals impacted by Hurricane Harvey
  - Provided food benefits to more than 1.6 million eligible individuals, totaling $550 million
  - Processed over $400 million in federal Other Needs Assistance grants for eligible disaster survivors
  - Ensured impacted individuals continued to receive Medicaid, behavioral health services, and other HHS services

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Health and Human Services

Critical Budget Issues for Fiscal Year 2019

HHSC projects a net supplemental appropriation need of $2.1 billion in General Revenue

Supplemental Need	Fiscal Year (FY) 2018-19 (in millions)
Medicaid Acute Care for Full-Benefit Clients	($1,527.1)
Medicaid Long-Term Care Entitlement	($79.8)
Medicaid Long-Term Care Non-Entitlement	($2.9)
Medicaid Other Medical Services	($137.9)
Children's Health Insurance Program (CHIP)	$0.7
Hurricane Harvey	($110.0)
Other	($278.9)
Total Projected Need	**($2,136.0)**

Critical Budget Issues, Continued

Impact of House Bill 30, 85th Legislature, 1st Called Session, 2017

	Scenario 1	Scenario 2
Transfer to Teacher Retirement System & Texas Education Agency	($563.0)	($563.0)
MCO Payment Delay	$0.0	$780.0
House Bill 30 Impact	**($563.0)**	**$217.0**

Projected HHSC Supplemental Need for FY 2019

- Scenario 1: **($2,699.0)**
  OR
- Scenario 2: **($1,919.0)**

Cash flow projections estimate that HHSC will not be able to make payments to Medicaid providers beginning May 2019

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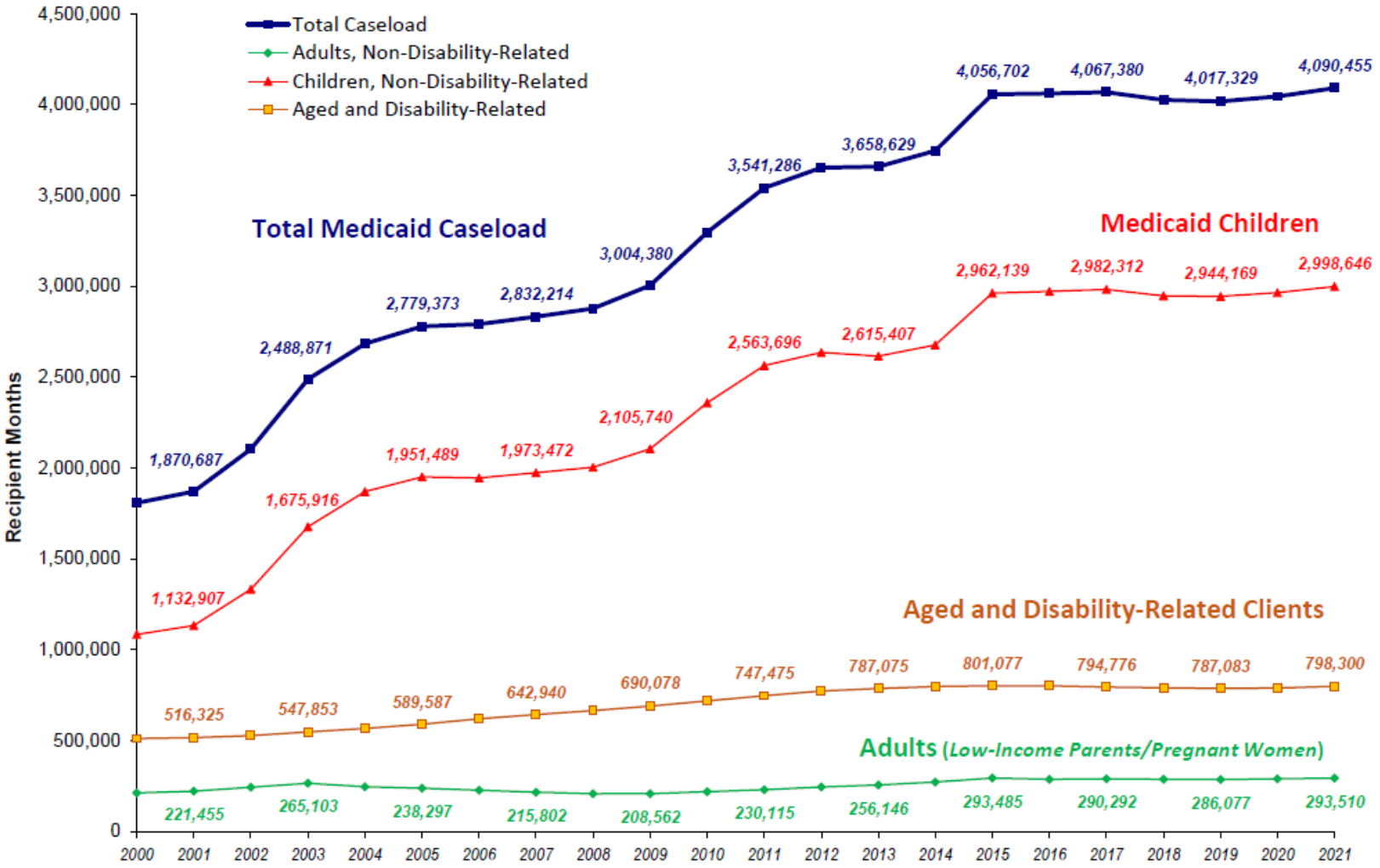
Health and Human Services

Key Budget Drivers

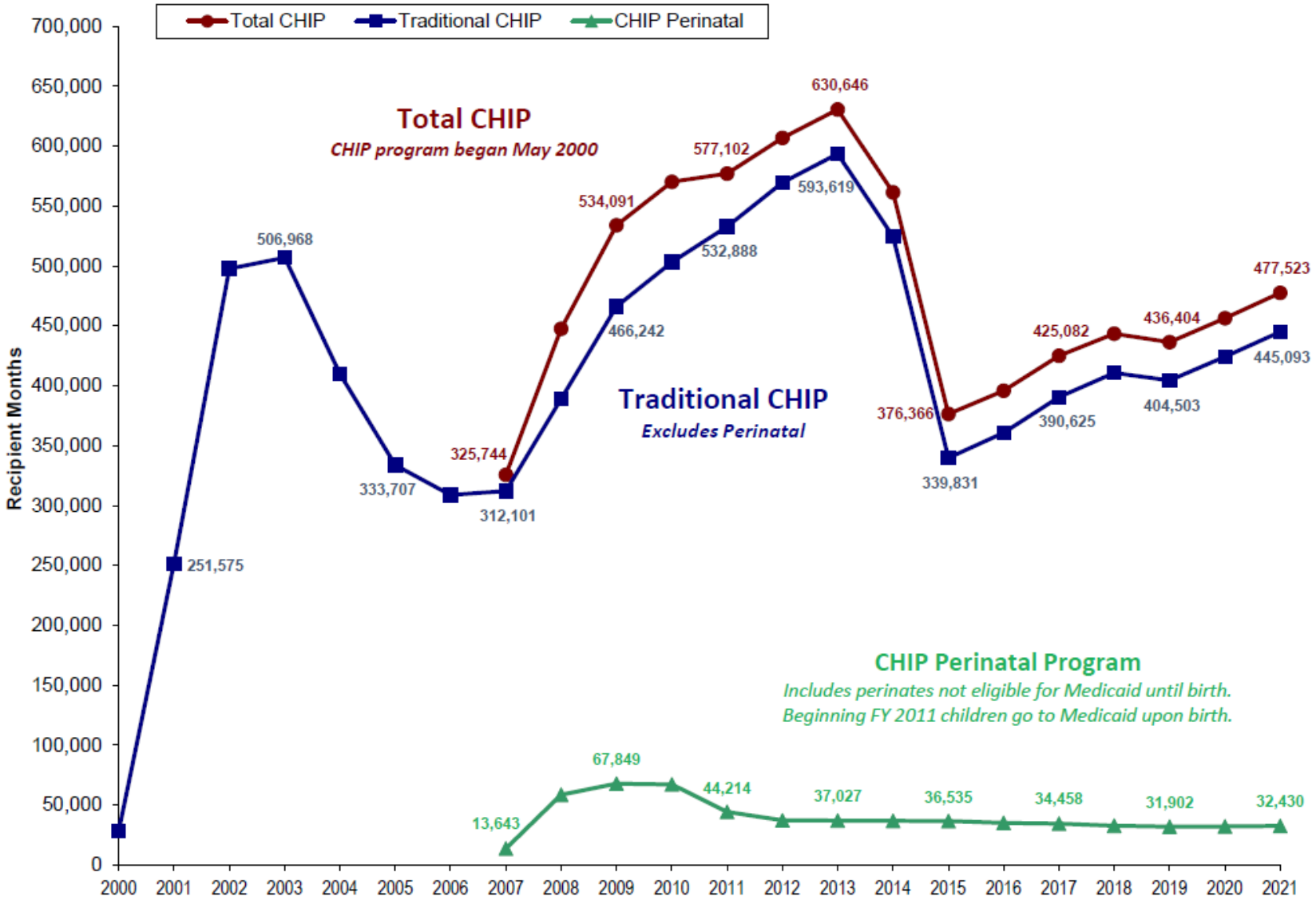
- Caseloads are projected to increase by about 1 percent each year of the biennium for Medicaid and 4.5 percent for CHIP
- Acute care Medicaid cost growth ranges between 2.4 percent and 5.5 percent each year of the biennium
- Cost growth is impacted by:
  - Utilization trends
  - Benefit changes
  - Population acuity factors
  - Aging and births
  - Evolutionary and revolutionary advances in medicine
- Cost growth for Texas' Medicaid program has averaged a slower rate of increase when compared to national trends

Medicaid Caseloads by Group – FYs 2000-2021



Data for FY 2018 is estimated; FY 2019-21 is projected based on June 2018 forecasts;
Non-Disability-Related Adults include TANF-level parents and Pregnant Women; Children are all non-disability-related children under age 19;
Disability-Related clients include clients both over and under age 21.

CHIP Caseloads – FY 2000-2021



Summary of Request Fiscal Years 2020-2021

Method of Financing	Base Request	Exceptional Items	Total Request
General Revenue	$30,424,061,664	$2,816,109,215	$33,240,170,879
Federal Funds	$45,282,165,175	$3,415,141,053	$48,697,306,228
Other Funds	$1,637,456,091	$271,684,928	$1,909,141,019
Total Method of Financing	**$77,343,682,930**	**$6,502,935,196**	**$83,846,618,126**

Summary of Request

Goal	Base Request	Exceptional Items	Total Request	FY 2020 FTEs	FY 2021 FTEs
Goal A - Medicaid Client Services	$62,809,752,389	$5,173,814,115	$67,983,566,504	0.0	0.0
Goal B – Medicaid and CHIP Support	$1,206,707,570	$140,528,148	$1,347,235,718	989.5	989.5
Goal C – CHIP Client Services	$2,130,727,613	$113,714,909	$2,244,442,522	0.0	0.0
Goal D – Additional Health-Related Services	$2,495,186,102	$228,908,022	$2,724,094,124	564.1	564.1
Goal E – Encourage Self Sufficiency	$1,727,497,840	$0	$1,727,497,840	175.0	175.0
Goal F – Community and Independent Living Services and Coordination	$623,719,457	$58,114,665	$681,834,122	218.4	218.4
Goal G - Facilities	$2,474,944,620	$587,280,844	$3,062,225,464	21,251.0	21,550.5
Goal H – Consumer Protection Services	$311,448,966	$31,876,915	$343,325,881	2,435.7	2,435.7
Goal I – Program Eligibility Determination and Enrollment	$2,245,774,441	$36,435,073	$2,282,209,514	10,227.8	10,227.8
Goal J – Disability Determination	$211,379,464	$0	$211,379,464	875.4	875.4
Goal K – Office of the Inspector General	$116,035,900	$14,603,608	$130,639,508	751.4	771.6
Goal L – System Oversight and Program Support	$957,422,023	$112,710,659	$1,070,132,682	2,662.9	2,650.7
Goal M – Texas Civil Commitment Office	$33,086,545	$4,948,238	$38,034,783	35.0	35.0
Total Agency Request	**$77,343,682,930**	**$6,502,935,196**	**$83,846,618,126**	**40,186.2**	**40,493.7**

Exceptional Item Requests

We stand ready to work with the Governor and Legislature throughout the budget process

- Over the last nine months, HHSC completed an extensive review of its most critical needs for the 2020-2021 biennium
- HHSC prioritized and categorized its exceptional item requests into eight buckets
  - Maintain Current Funding for Client Services
  - Address Community Services Needs for Individuals with Intellectual and Developmental Disabilities (IDD)
  - Provide Critical Support, Staffing, and Infrastructure for Procurement and Contracting Oversight Functions
  - Address Capacity Demands for Behavioral Health Services
  - Comply with State and Federal Laws and Regulations
  - Protect Vulnerable Texans
  - Improve Access to Needed Client Services
  - Provide Critical IT Infrastructure and Support
- HHSC solicited and received stakeholder feedback to identify which needs are of the greatest importance to those we serve

Summary of Exceptional Item Requests

Exceptional Item Category	General Revenue	Biennial Total	FY20 FTEs	FY21 FTEs
Category 1 – Maintain Current Funding for Client Services	$1,785,747,927	$4,282,790,290	21.5	21.5
Category 2 – Comply with State and Federal Laws and Regulations	$196,534,383	$453,571,423	151.8	152.8
Category 3 – Address Community Services Needs for Individuals with IDD	$208,867,780	$448,749,586	36.0	70.7
Category 4 – Provide Critical Support, Staffing, and Infrastructure for Procurement and Contract Oversight Functions	$20,206,353	$26,257,803	113.7	119.7
Category 5 – Address Capacity Demands for Behavioral Health Services	$208,186,181	$212,615,465	147.5	406.3
Category 6 – Protect Vulnerable Texans	$37,001,333	$308,762,374	96.1	82.9
Category 7 – Improve Access to Needed Client Services	$327,861,305	$726,587,784	2.0	2.0
Category 8 – Provide Critical Information Technology Infrastructure and Support	$17,362,717	$24,048,625	16.2	16.2
Total Exceptional Requests*	**$2,801,767,979**	**$6,483,383,350**	**584.8**	**872.1**

*Does not include requests from the Office of the Inspector General and the Texas Civil Commitment Office

Category 1
Maintain Current Funding for Client Services

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- Maintains cost growth in:
  - Medicaid entitlement programs ($1.5B GR/$3.8B AF)
  - Medicaid non-entitlement programs ($28.1M GR/$74.4M AF)
  - CHIP non-entitlement program ($26.8M GR/$113.7M AF)
- Sustains services for the Blind Children's Program ($2.4M GR/$3.3M AF)
- Maintains ECI services for children with disabilities ($70.7M GR/$70.7M AF)
- Maintains Guardianship Services for vulnerable Texans ($2.5M GR/$2.5M AF)
- Maintains and supports baseline operations for the claims administrator ($30M GR/$60M AF)
- Prevents loss of services at state hospitals and SSLCs ($112.9M GR/$140.5M AF)
- Maintains funding for client services to replace the federal Money Follows the Person grant ($3.5M GR/$3.5M AF)
- Maintains funding for current women's health program services (Placeholder)

$ in Billions	FY20	FY21	Biennium
General Revenue (GR)	$0.60	$1.18	$1.78
All Funds (AF)	$1.41	$2.86	$4.27
FTEs	21.5	21.5	

Category 2
Comply with State and Federal Laws and Regulations

- Ensures HHSC meets state requirements for quality services in long-term care facilities ($1.3M GR/$3.3M AF)
- Makes necessary electronic visit verification (EVV) system improvements ($17.6M GR/$52.8M AF)

$ in Millions	FY20	FY21	Biennium
General Revenue (GR)	$77.2	$119.3	$196.5
All Funds (AF)	$168.8	$284.8	$453.6
FTEs	151.8	152.8	

- Implements a pediatric tele-medicine grant program for rural Texas, as required by House Bill 1697, 85th Legislature, Regular Session, 2017 ($2.7M GR/$5.7M AF)
- Complies with federal community integration requirements for individuals with IDD ($114.9M GR/$284.2M AF)
- Improves security, migrates IT systems to the data center, and remediates applications to address compliance and security concerns ($23.1M GR/$34.3M AF)

Category 2 – Continued

Comply with State and Federal Laws and Regulations

- Ensures state oversight of community programs for individuals with IDD ($1.7M GR/$6.0M AF)
- Complies with statutory requirements for the IDD System Redesign ($7.2M GR/$14.2M AF)
- Improves IT systems to comply with Preadmission Screening and Resident Review (PASRR) requirements ($4.3M GR/$17.1M AF)
- Complies with state law to conduct mortality reviews for individuals with IDD living in community settings ($2.1M GR/$4.2M AF)
- Secures client data, prevents data breaches and malicious acts, and enables HHSC to be compliant with the U.S. Department of Health and Human Services, Office of Civil Rights' Corrective Action Plan ($21.6M GR/$31.8M AF)

Category 3
Address Community Services Needs for Individuals with IDD

TEXAS Health and Human Services

- Maintains and expands IDD crisis continuum of care ($46.4M GR/$46.4M AF)
- Supports medically complex individuals with IDD living in community settings ($4.7M GR/$14.0M AF)
- Improves access to specialty services for individuals with IDD ($10.1M GR/$10.1M AF)

$ in Millions	FY20	FY21	Biennium
General Revenue (GR)	$72.8	$136.1	$208.9
All Funds (AF)	$146.4	$302.3	$448.7
FTEs	36.0	70.7	

- Provides an increase of 4,639 slots for community-based waiver services and provides the following Promoting Independence slots ($147.7M GR/$378.2M AF):
  - 500 Home and Community-based Services (HCS) slots for individuals in crisis and/or at imminent risk of institutionalization
  - 500 HCS slots for individuals in SSLCs and large-medium intermediate care facilities for individuals with intellectual disabilities (ICFs/IID)
  - 236 HCS slots for children aging out of foster care at DFPS
  - 40 HCS slots for children in transition from DFPS general residential operations facilities
  - 500 HCS slots for individuals with IDD moving from nursing facilities
  - 500 HCS slots for individuals with IDD diverted from admission to a nursing facility
  - 200 HCS slots for individuals with IDD moving from state hospitals

Category 4

Provide Critical Support, Staffing, and Infrastructure for Procurement and Contract Oversight Functions

TEXAS Health and Human Services

- Enhances procurement and contract management functions for Medicaid, behavioral health, and other HHS contracts ($12.6M GR/$17.7M AF)

$ in Millions	FY20	FY21	Biennium
General Revenue (GR)	$10.0	$10.2	$20.2
All Funds (AF)	$13.1	$13.2	$26.3
FTEs	113.7	119.7	

- Makes necessary changes to the Centralized Accounting and Payroll/Personnel System (CAPPS) Human Capital Management (HCM) and Financial systems ($7.6M GR/$8.6M AF)

Category 5
Address Capacity Demands for Behavioral Health Services

- Expands capacity at renovated state hospitals (Comprehensive Plan – Phase I) ($27.6M GR/$27.6M AF)
- Funds state hospital planning and construction (Comprehensive Plan – Phase II) (Placeholder)
- Maintains service levels for mental health grant programs ($22.7M GR/$22.7M AF)

$ in Millions	FY20	FY21	Biennium
General Revenue (GR)	$79.9	$128.3	$208.2
All Funds (AF)	$82.2	$130.4	$212.6
FTEs	147.5	406.3	

- Funds rate increases for Substance Use Disorder (SUD) treatment and recovery services for both indigent care and Medicaid ($45.2M GR/$45.4M AF)
- Enhances mental health capacity and per capita funding for Local Mental Health Authorities (LMHAs) ($54.9M GR/$59.1M AF)
- Ensures services for individuals experiencing early psychosis ($15.9M GR/$15.9M AF)
- Ensures access to residential treatment center (RTC) beds for children ($2.1M GR/$2.1M AF)
- Improves capacity for community inpatient psychiatric services ($39.4M GR/$39.4M AF)
- Enhances real-time behavioral health data sharing ($0.4M GR/$0.4M AF)

Category 6
Protect Vulnerable Texans

TEXAS Health and Human Services

- Addresses major building, fleet, and equipment failures at state hospitals and SSLCs
($23.3M GR/$295.0M AF)
- Provides additional FTEs for the Regulatory Services Division to protect vulnerable Texans
($6.6M GR/$6.7M AF)

$ in Millions	FY20	FY21	Biennium
General Revenue (GR)	$30.6	$6.4	$37.0
All Funds (AF)	$302.4	$6.4	$308.8
FTEs	96.1	82.9	

- Provides Ombudsman services to Assisted Living Facility residents
($0.7M GR/$0.7M AF)
- Makes changes to existing IT applications in order to license new, statutorily required, provider types
($3.7M GR/$3.7M AF)
- Enhances criminal background checks in order to be in compliance with federal grant requirements
($2.7M GR/$2.7M AF)

Category 7
Improve Access to Needed Client Services

TEXAS Health and Human Services

- Increases attendant wages ($154.1M GR/$389.4M AF)
- Ensures the sustainability of PACE ($15.9M GR/$39.3M AF)
- Ensures the sustainability of the Home Delivered Meals program ($7.8M GR/$7.8M AF)

$ in Millions	FY20	FY21	Biennium
General Revenue (GR)	$142.8	$185.1	$327.9
All Funds (AF)	$303.2	$423.3	$726.5
FTEs	2	2	

- Improves strategies for recruiting and retaining a capable and competent workforce ($39.9M GR/$55.2M AF)
- Increases the availability of child advocacy services throughout the state for Court Appointed Special Advocates (CASAs) and Children Advocacy Centers (CACs) ($8.0M GR/$8.0M AF)
- Enhances services for the Family Violence Program by providing existing contractors with additional resources to address the increasingly complex needs of survivors of family violence ($3.0M GR/$3.0M AF)
- Provides Intensive Behavioral Health Intervention for children with Autism Spectrum Disorder ($77.5M GR/$192.6M AF)
- Enhances state hospitals and SSLC services through improved technology ($21.7M GR/$31.2M AF)

Category 8
Provide Critical Technology Infrastructure and Support

- Upgrades HHS telecom technology ($5.6M GR/ $6.3M AF)
- Funds HHSC seat management activities, including upgrades to software and equipment ($6.4M GR/$9.7M AF)

$ in Millions	FY20	FY21	Biennium
General Revenue (GR)	$10.2	$7.2	$17.4
All Funds (AF)	$13.8	$10.2	$24.0
FTEs	16.2	16.2	

- Creates an integrated IT infrastructure utilizing cloud-based technology, including the development of processing, storage and networking resources that can be configured in a way that optimizes client service delivery, better protects sensitive data, and reduces long-term costs ($5.4M GR/$8.0M AF)

Appendix A
Exceptional Item Priority List

Appendix B
HHSC Administrator Statement

Appendix C
Transformation Enablement Platform

Transformation Enablement Platform

Weaving Programs, Technology, and Security Together

Using cloud-based services, HHSC will create an integrated IT infrastructure complete with processing, storage, and networking resources that can be configured in a way that optimizes client service delivery. This option saves us space, time, and money.

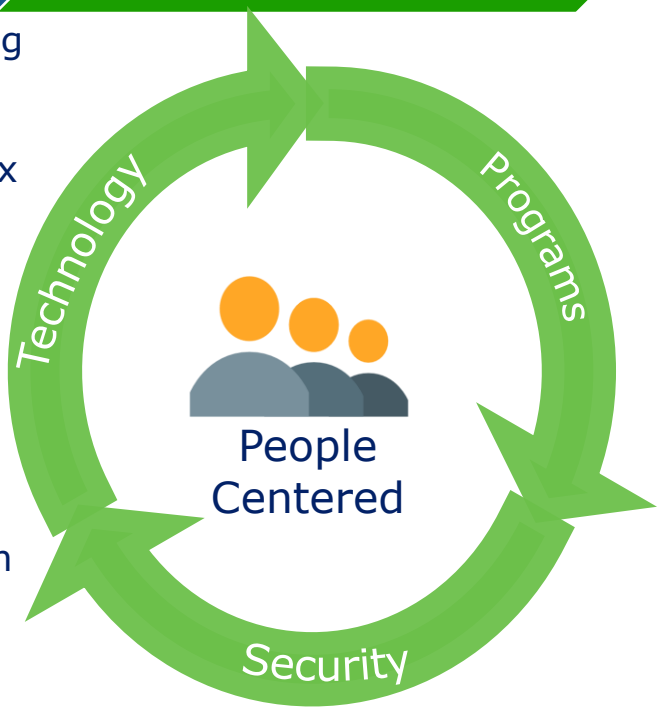
Current IT Infrastructure

- Unnecessary overhead/higher operational maintenance cost
- Inability to implement system improvements
- Security risks
- Client service disruption
- Fragmented employee workflows
- Siloed systems
- Duplicative/Redundant processes
- Inability to handle fluctuations on demand (e.g., Hurricane Harvey)

Digital Transformation

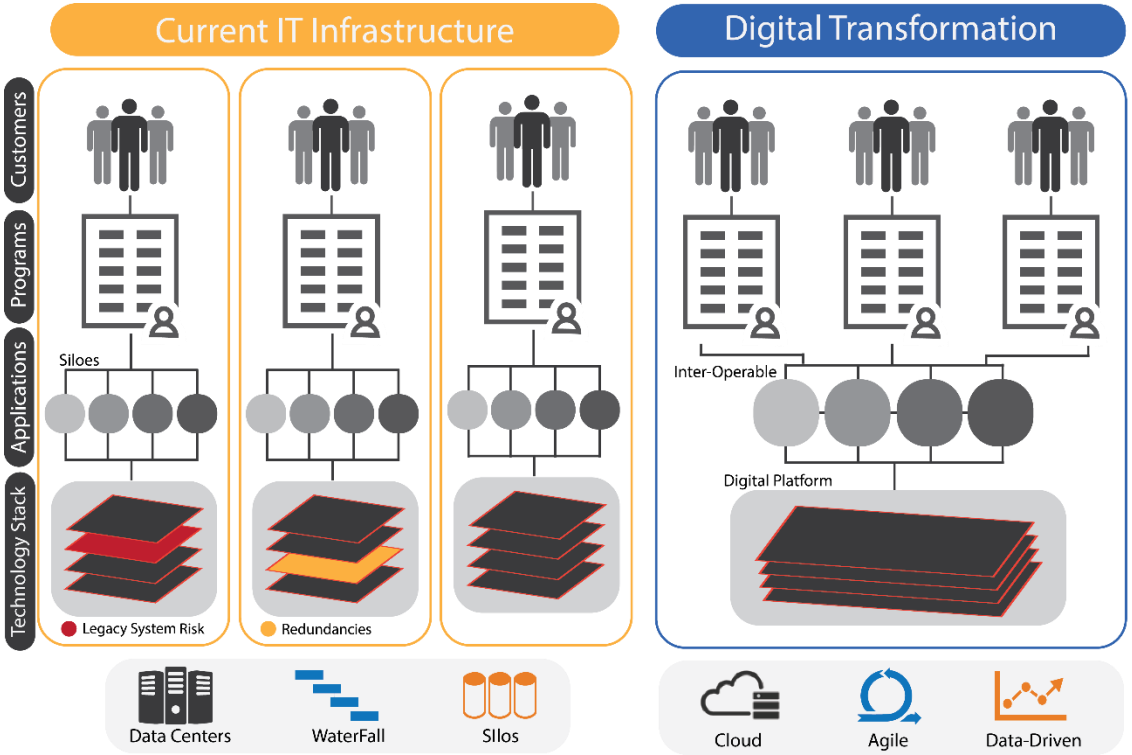
+ Decreased long term operating costs
+ Provides flexible and agile foundation to support complex transformation initiatives
+ Enables stronger security controls to protect client data
+ Ability to seamlessly handle high-demand and crisis situations
+ Streamlines worker efficiency and system effectiveness
+ Optimizes employee allocation to high-value activities
+ Limits risk of underutilized physical resources
+ Scalable to usage

Going Forward



Transformation Enablement Platform

Weaving Programs, Technology, and Security Together



Digital Transformation Benefits

Customer Benefits

Advances program transformation and consolidation, resulting in more streamlined customer experiences, optimized healthcare delivery through foundational functional systems, and improved service continuity, data security, and accessibility during times of high service volume.

Program Benefits

Provides programs with inter-operable and data-driven applications, breaking up silos that resulted in fragmented workstreams, reducing the risk of outages and work disruptions, and improving information sharing across the agency through shared capabilities.

IT Operations Improvements

Efficiencies and cost savings are achieved as a digital platform is developed with base capabilities that can be shared and extended across HHSC portfolios, reducing the multiple systems currently maintained as well as security risks related to aging legacy systems. IT is enabled to provide better services through a flexible and scalable platform, stronger security standards and best practices, and optimized resource utilization.

INTERNAL TO CHCC – NOT FOR CIRCULATION
Last Updated September 20, 2018

DRAFT List of Policy Priorities for 2019 Session for Children's Health Coverage Coalition to Consider

- **Budget**
    1. Ensure adequate funding for critical health programs aimed at improving maternal and children's health. This includes preventing reductions in critical health services or payments that would jeopardize access to and quality of care for children and mothers. Strong investment is needed in:
        - Medicaid, Children's Health Insurance Program, CHIP perinatal
        - Texas' women's health programs
        - Early Childhood Intervention (ECI)
        - Mental health and substance use treatment and recovery programs
        - DSHS programs and initiatives designed to improve maternal health

- **Improve Continuity of Coverage – prevent youth and adults from losing coverage and falling through the cracks**
    1. Modify Texas' continuous eligibility period for Children's Medicaid, which is currently 6 months, to align with the 12 month certification period (similar to what Texas has done for CHIP)
    2. Streamline renewal processes for families by enabling those with multiple kids enrolled in Medicaid or CHIP to renew coverage for each child on the same date every year.
    3. Establish auto-enrollment for 19-year-olds who age out of CHIP and Children's Medicaid to seamlessly access care via Healthy Texas Women program
    4. Direct HHSC to evaluate options for streamlining enrollment and referral process from CHIP perinatal to the state's Family Planning Program.
    5. Establish streamlined transitions and renewal processes for Texas youth who age out of foster care and transition from STAR Health (age 18-21) to a STAR plan (age 21 – 26).

- **Increase Access to Health Coverage**

    1. Improve maternal and child health by creating a tailored coverage option for women to access to care before, during, and after pregnancy.
    2. Extend Medicaid coverage during pregnancy and 12 months postpartum.
    3. Support legislation to create comprehensive coverage for Texas' low-income adults, improve maternal health, and enhance the financial security for parents striving to do the best job of raising their children and providing for their families.

- **Promote innovative strategies that improve access to quality health care**
    - **Telehealth Strategies**
        1. Adequately fund Child Psychiatric Telehealth Program (CPAP) so that it is available to more Texas children (fund exceptional item #49, Pediatric Telemedicine Grant Program for Rural Texas)
        2. Medicaid coverage for and promotion of virtual pregnancy medical homes

- **Transportation Strategies**
    3. Make improvements to non-emergency Medicaid transportation benefit so that pregnant women and new mothers can take their children with them and get to critical medical visits. Promote initiatives and partnerships with health plans so that Medicaid transportation options work more effectively for families.

❖ **Improve Behavioral Health**

1. *See above under Telehealth*. Adequately fund and promote use of Child Psychiatric Telehealth Program (CPAP) so that it is available to more Texas children.
2. Promote use of integrated care that combines medical and behavioral health by covering the Collaborative Care Model approach through Medicaid.
3. Direct HHSC to promote best practices and training on screening and brief interventions around substance use issues, including giving health professionals materials on OSARS (Outreach, Screening, Assessment, and Referral entity) in their local area and materials on where to refer a person for substance use intervention or treatment.

❖ **Make Improvements to Medicaid Managed Care System**

1. Provide clear, easy-to use resources to Medicaid clients, families, and doctors on care coordination services provided in each STAR program.
2. Enforce network adequacy standards and make Corrective Action Plans more transparent.
3. Create an Independent Provider Health Plan Monitor to address issues between providers and plans.
4. Establish a repository at HHSC of Medicaid client inquiries, complaints, requests for appeals – including inquiries made to health plans, HHSC, ombudsman, and legislators – so HHSC can better track trends and emerging issues.

❖ **Improve Access to Family Planning and Contraceptive Care**

In addition to policy priorities listed above under Budget, Continuity of Care, and Access to Health Coverage:

1. Improve access to contraception through CHIP –by covering through CHIP or allowing dual enrollment of clients in CHIP and HTW.
2. Improve maternal health and birth outcomes by covering postpartum contraception through CHIP Perinatal.
3. Allow minors who are parents to consent to contraception.
4. Require Medicaid and private health plans to cover 12-month supply on contraception at one time.

❖ **Additional Policy Issues**

1. Raise the age of tobacco purchases to age 21.