Recommendations for a Stronger STAR Kids Medicaid Managed Care Program
86th Texas Legislature

STAR Kids was implemented in 2016 and is the Medicaid managed care program for the population most-recently added to managed care—children, adolescents and young adults with disabilities and complex medical needs. Clients in the STAR Kids program choose a Medicaid managed care organization (MCO) to manage their benefits, which include preventive care, prescription drugs, hospital care, private duty nursing, durable medical equipment and long-term services and supports.

As the Texas Legislature and HHSC take a closer look at the managed care system and its oversight of the STAR Kids program, the Texas Association of Health Plans (TAHP) and Medicaid health plans offer our full commitment to working with members of the legislature, HHSC, the health care community, clients and families to help strengthen the oversight and accountability of the program.

**Strengthen and Streamline the HHSC Complaint Process:**

Clients should have a simple, no-wrong door process to register complaints with HHSC and receive timely information on the resolution of their complaint. HHSC must also have efficient and streamlined complaint processes to ensure accurate and transparent data to oversee contracts, quickly identify access to care issues and inform policy decisions.

- TAHP supports implementing a no-wrong door complaint process with consistent tracking and definitions across HHSC, including an expedited process for urgent access to care issues.

**Improve the Medicaid Fair Hearing Process:**

Texas Medicaid clients should have easy access to a simple, transparent Fair Hearing process when they feel they have been wrongfully denied a service or eligibility to a program. The Medicaid Fair Hearing process should not only ensure administrative processes are correctly followed by HHSC and Medicaid health plans, but also that any denials or reductions of services by HHSC or a health plan are reviewed by an independent and qualified clinician. Additionally, when HHSC determines a client does not meet the medical need to be eligible for a program, an independent and qualified clinician should review that decision.

- TAHP supports improving the Medicaid Fair Hearing process for clients through education and the adoption of a clear, consistent and transparent processes.
- TAHP supports including an independent review organization-led medical review when a client receives a denial of a service by TMHP or a health plan, or when they are denied eligibility for a program by HHSC.

**Improve the Star Kids Screening Assessment (SK-SAI) Tool:**

It is important for every child to be screened for needed services. HHSC currently requires Medicaid health plans to assess every child in the STAR Kids program using the STAR Kids assessment tool; however, it is a cumbersome and extremely long form that families and health plan service coordinators find difficult to use, resulting in negative member experiences. The process should be person-centered, include only actionable screening questions and result in a positive experience for the family.
TAHP supports improving the SK-SAI tool and the STAR Kids screening process

TAHP supports allowing Medicaid health plans to adopt nationally-recognized screening tools instead of mandating use of the SK-SAI

Reform the Renewal Process for the Medically Dependent Children Program (MDCP):

Eligibility for the MDCP waiver program is based on a client's medical and functional need rather than on the income of the child's family. To qualify for the program, a client must have the same medical needs as a client living in a nursing home. Families and clients receiving services through MDCP rely on the program to keep them at home and out of institutions, but current program rules require HHSC to make a decision every year about whether the child still meets a nursing home-level of medical need in order to remain in the program. This process often results in families losing access to life-saving services even when the client had no significant change in their medical needs. When the client loses eligibility, they are put at the bottom of a very long interest list. It can take many years for the client to get back to the top of that list and be assessed for eligibility.

TAHP supports improving the MDCP eligibility renewal process

Eliminate the Interest List for MDCP:

As of March 2018, 16,840 clients were on an interest list waiting to access the MDCP program, which provides life-saving services to children with complex medical needs and allows them to live in their community instead of in an institution. Once a program slot becomes open, a client is assessed to determine whether they qualify—not all clients on the interest list will qualify for the program. The legislature should appropriate funds to address the long wait and fund additional slots in the MDCP program.

TAHP supports elimination of the MDCP interest list

Improve Coordination of Benefits for Clients with Medicaid and Commercial Coverage:

Some clients in the STAR Kids program have coverage through both Medicaid and commercial insurance. Medicaid health plans are required to coordinate payment and delivery of services between themselves and commercial health plans. Furthermore, Medicaid health plans are federally required to ensure clients access commercial coverage before using Medicaid to pay for uncovered services. This complicated process can result in delays or unnecessary denials and encourage families to drop their commercial coverage, resulting in more taxpayer dollars spent on clients' medical needs. This coordination of benefits is further complicated by new federal requirements mandating every provider that orders, refers or prescribes a benefit for a Medicaid client be fully enrolled in the Medicaid program—even if the client is using their commercial coverage for the provider visit. To encourage families to keep their commercial coverage, Texas should adopt consistent policies that ensure clients with commercial coverage have timely access to needed services.

TAHP supports HHSC adopting policies for Medicaid health plans to ensure the coordination and timely delivery of pharmacy and medical benefits when commercial insurance is the primary coverage for a client
TAHP supports adopting systems that provide Medicaid health plans with accurate and timely information about a client’s commercial coverage status.

TAHP supports HHSC implementing policies and processes that allow a provider that is primarily serving a client through commercial coverage to receive reimbursement for services delivered, ordered, referred or prescribed.

**Adopt an Assessment Tool for Private Duty Nursing:**

Many clients in the STAR Kids program require physician-ordered nursing services in the home, called private duty nursing, that help a client stay out of an institution. However, physicians are not always trained to determine the appropriate number of private duty nursing hours a client should receive. To further complicate the issue, Medicaid health plans and providers are prohibited from using any evidence-based tool or guide that would help consistently determine those hours based on a client’s medical need.

TAHP supports allowing Medicaid health plans and providers to use evidence-based and objective assessment tools to help determine the appropriate number of private duty nursing hours for clients.

**Define Chronic Therapy Services (Physical, Occupational and Speech Therapy):**

Many clients with complex medical needs in the STAR Kids program require access to long-term therapy services that help them maintain their current level of physical ability over time, rather than acute care therapy services that improve or restore physical ability. HHSC policies do not clearly define chronic therapy services versus acute care therapy services.

TAHP supports HHSC clearly defining long-term therapy services.