

# Solutions for Modernizing Texas Medicaid

86th Texas Legislature



Over the past 20 years, Texas transformed an outdated Medicaid system that provided fragmented care into a modern, patient-centered health insurance program that provides more than 4 million Texans with the coverage and care they need. While Texas' Medicaid health plans have worked collaboratively with the legislature and HHSC to increase access to care, improve health outcomes and control the cost of the Medicaid program over the past two decades, the Medicaid managed care system can and should continue to be improved. As the Texas Legislature and HHSC take a closer look at the managed care system and its oversight, the Texas Association of Health Plans (TAHP) and Medicaid managed care organizations (MCOs) offer our full commitment to work with members of the legislature, HHSC, the health care community, clients and Texas families to help strengthen the program.

## 5 Key Solutions for Modernizing Medicaid:



### Modernization:

Modernize Texas Medicaid to improve access, improve outcomes and increase efficiency



### Access:

Ensure Texans on Medicaid have access to high-quality care and coordination



### Protections:

Protect Texans on Medicaid by strengthening the appeals and complaints processes



### Affordability:

Encourage an affordable Medicaid program by fostering innovation, stability and efficiency



### Accountability:

Hold health plans and providers accountable for improving outcomes and value



## Modernize the Medicaid Program:

Texas Medicaid health plans collaborate with the best doctors, negotiate the most affordable prices, and focus on prevention, wellness, and care coordination to help their members get healthy, stay healthy and live their lives to the fullest in their own communities. More than 80% of all Texas doctors are currently in Medicaid health plan networks, delivering vital care to some of the most vulnerable Texans. To help maintain and increase access to high-quality care and keep doctors participating in Medicaid, Texas needs to reduce and eliminate unnecessary administrative burdens and red tape. Additionally, modernizing the Medicaid program's policies and processes to better reflect the transition to managed care will ensure more timely, accountable and quality care while eliminating unnecessary and costly administrative processes that do not benefit patients or taxpayers.

- TAHP supports modernizing systems and processes to encourage the participation of high-quality providers, reduce administrative burdens and reduce the need to reprocess provider bills in the Medicaid program
- TAHP supports improving and streamlining the Medicaid provider enrollment and credentialing processes
- TAHP supports updating the processes HHSC uses to determine services covered (including prescription drug benefit decisions) by the Medicaid program and creating a new provider manual that reflects the managed care model



## Ensure Access to Care:

As a result of Texas' transition to managed care, millions of Texans—including children and pregnant moms—have seen improved outcomes and access to preventive and timely care. Medicaid health plans have also improved care coordination for Texans with complex medical needs, reducing hospital stays and ER visits. Medicaid plans are dedicated to ensuring Texans have access to the care they need when they need it. However, Texas Medicaid faces unique challenges that too often impair its ability to meet the needs of Texans. Increasing access to services and doctors, with a particular interest in preventive, behavioral and maternal health, will result in healthier Texans and reduced costs for taxpayers. Additionally, streamlining processes that affect the delivery of health care in Medicaid, such as care coordination and the coordination of services for Texans on Medicaid with commercial or Medicare coverage, will result in increased access, as well as a more efficient program for physicians, hospitals and health plans.

- TAHP supports improving processes that affect how clients access care
- TAHP supports extending coverage for pregnant women on Medicaid for 12 months post-delivery to improve health for moms during and after pregnancy, as well as for babies and children
- TAHP supports improving the process used to coordinate benefits when Medicaid clients also have commercial or Medicare coverage



## Strengthen Patient Protections:

Texas must protect Texans on Medicaid by having an efficient and streamlined complaint process that ensures they can easily register complaints, request appeals and access a Medicaid Fair Hearing when they feel they are not receiving the quality of care they need. The Medicaid Fair Hearing process should not only ensure administrative processes are followed by Medicaid health plans and HHSC, but also that any denial of services or eligibility by HHSC or a health plan are reviewed by a qualified, independent clinician.

- TAHP supports improving the complaint process to ensure clients can escalate concerns and that HHSC has accurate data to inform policy and help identify systemic issues
- TAHP supports improving the Medicaid Fair Hearing process to include an external medical review or independent review organization participation when a client is denied services or eligibility by TMHP, a Medicaid health plan or HHSC



## Encourage Affordability:

The Medicaid health plans' focus on prevention, wellness and care coordination—getting Texans the health care they need to get healthy, stay healthy and live in their communities—has translated into fewer hospitalizations and lower costs for Texas taxpayers. Texas has saved between \$5.3 and \$13.9 billion through the use of the Medicaid managed care program since 2009. Fostering innovation is critical to ensuring high-quality services

and cost-savings, but it requires a careful balance between necessary regulation and flexibility to implement innovative solutions. Carving benefits out of managed care or creating unnecessary administrative burdens would increase costs for the program by fragmenting care, decreasing value, stifling innovation and reducing provider participation.

- TAHP opposes any effort to reduce flexibility, stifle innovation or jeopardize stability and efficiency in the Medicaid program
- TAHP opposes the carve-out of Medicaid pharmacy benefits, which would increase costs and reduce Medicaid health plans' ability to keep Texans healthy



## Promote Accountability:

HHSC contracts with Medicaid health plans to coordinate services for more than 4 million Texans on Medicaid and CHIP. Because of the size, scope and complexity of managed care contracts and the types of services provided, the state uses multiple tools and strategies to oversee these contracts. Medicaid health plans must follow strict contract requirements and federal and state law. Additionally, Texas Medicaid managed care contracts, performance and financial data are transparent and available online. The recently-released Deloitte report investigated how Texas fared in its transition to the managed care model. For contract oversight, HHSC was found to have achieved a number of accomplishments, including establishing structured processes and standards. The report also outlined opportunities to improve the accountability, performance and strength of the Texas Medicaid program. Medicaid health plans welcome efforts to improve the state's oversight role and create more meaningful transparency for Medicaid contracts. We are committed to transparency about our work and its results both for our members and the state—it creates better outcomes and greater efficiency that will ultimately benefit all Texans.

- TAHP supports improving the state's oversight role to create more transparency in the process of monitoring Medicaid health plan contracts
- TAHP supports streamlining and automating contract deliverables, coordinating audits and reviews, and modernizing the contract process
- TAHP supports the state's development of a real-time dashboard to provide stakeholders with access to accurate, timely and transparent data that measures the performance of the Medicaid program

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### TEXAS ASSOCIATION OF HEALTH PLANS

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