

December 11, 2015

1:30 - 3:00 p.m. CST

### 1. General Anchor Communication

- Thank you for all of your continued work!
- As a reminder, DY4 Anchor Annual Reports are due to HHSC by December 15, 2015. Please let us know if you have any questions.

### 2. DSRIP Implementation

#### October DY4 Reporting

- HHSC has completed its October DY4 reporting review. Reporting results were sent out to providers on Friday, December 11, 2015 (today). If providers did not receive a summary file of their October DY4 Reporting Results, please have them contact the waiver mailbox at [TXHealthcareTransformation@hhsc.state.tx.us](mailto:TXHealthcareTransformation@hhsc.state.tx.us). Please note HHSC will not re-review metrics that received a "Needs More Information" determination between the Initial and Needs More Information (NMI) review periods. Providers should upload their additional documentation to DSRIP Online Reporting System during the additional reporting period.
- As indicated in the Initial Review Results email sent to providers this morning, HHSC may have made corrections to the initially selected achieved by status and percent of goal achieved selection in the online reporting system for Category 3 milestones. In places where the online reporting system and the October DY4 Category 3 Template did not match, HHSC corrected the online reporting system to match the reporting status indicated in the Category 3 template. HHSC will be sending a summary of October DY4 Category 3 Reporting Template achievement status with today's anchor notes. This summary includes milestone level reporting and achievement status for each Category 3 outcome as indicated in the submitted Category 3 Reporting Template.
- The additional reporting period for NMIs is now open and will close at **11:59 p.m. on Friday, January 15, 2016**. Any questions regarding submission of NMI documentation should be sent to the waiver mailbox at [TXHealthcareTransformation@hhsc.state.tx.us](mailto:TXHealthcareTransformation@hhsc.state.tx.us). Please remember to include RHP, Project ID, and Metric ID with your questions.
- HHSC Rate Analysis will send out the notice for IGT requests for January 2016 DSRIP payments next week. Please follow the instructions within the email to ensure timely DSRIP payments and contact [Rate\\_Analysis\\_DSRIP\\_Payments@hhsc.state.tx.us](mailto:Rate_Analysis_DSRIP_Payments@hhsc.state.tx.us) if you have questions regarding IGT processing. If you have questions regarding payment calculations or reporting review results, then please contact the waiver mailbox [TXHealthcareTransformation@hhsc.state.tx.us](mailto:TXHealthcareTransformation@hhsc.state.tx.us).
- IGT for October reporting DSRIP payments will be due on January 4, 2016.
- On January 15, 2016, October reporting DY4 DSRIP payments processed for transferring hospitals and top 14 IGT Entities.
- On January 29, 2016, October reporting DY3 DSRIP payments processed for all providers and DY4 DSRIP payments processed for remaining providers that were not paid on January 15, 2016. Note that there are separate transactions for each payment for each DY.

#### Compliance Monitoring

- Providers are required to work with Myers & Stauffer (MSLC) to complete the review process, including responding to follow up questions related to Corrective Action Plans. We appreciate your assistance to remind providers that DSRIP payments are Medicaid payments, and as such, may be

subject to state and federal audits.

- Working through baseline issues now with MSLC will be helpful to complete before MSLC begins performance review, and MSLC can assist providers for preparation for the next stage of review.
- Cat 1&2 Validation – MSLC has notified providers of the metrics that were selected for review and has starting reaching out to providers to request additional data and sample documentation.
- Please continue sending all questions related to compliance monitoring to the designated mail box: [TXHealthcareTransformationDSRIP\\_Compliance@hhsc.state.tx.us](mailto:TXHealthcareTransformationDSRIP_Compliance@hhsc.state.tx.us).

### Monitoring IGT

- A reminder that the DY5 Monitoring IGT will be calculated based on IGT commitments as of January 1, 2016. HHSC may request up to \$5M for DY5 Monitoring IGT. If IGT Entities have changes in funding DSRIP projects, please submit an IGT Entity Change Form prior to January 1, 2016. The form is located on the waiver website at: <http://www.hhsc.state.tx.us/1115-docs/DY3-Templates/April2014/IGT-Entity-Change-Form.xlsx>.
- HHSC is reviewing actual MSLC costs compared to the \$4M collected for DY3 Monitoring IGT. HHSC estimates that IGT refunds for unused DY3 Monitoring IGT will be processed in early 2016. HHSC does not expect to process DY4 Monitoring IGT refunds.

### Anchor Administrative Costs

- HHSC is completing review of the anchor administrative cost reports.
- The tentative due date for IGT is January 28, 2016, with payments expected to be made on February 12, 2016.

### Category 3

- HHSC has previously stated that interim baseline corrections will resume in January. Given the volume of baseline corrections and the success of updating baselines through the DY4 performance reporting template, HHSC will only be accepting interim corrections for a small selection of baselines. Specifically, outcomes that have already reported DY4 performance in either April or October of DY4 will be able to submit corrected baseline and performance rates in January. Outcomes with a current HHSC approved alternate achievement request, in maintenance mode, or utilizing Scenario 1 will be able to submit corrected baselines in January. All other outcomes will correct their baselines at the time of DY4 performance reporting. HHSC will be releasing a Category 3 goal calculator so that providers can confirm their goals prior to reporting, and determine if technical assistance is needed prior to performance reporting or if baselines can be corrected during the interim correction period.
- In early 2016, HHSC will distribute a revised Population Focused Priority measure (PFPM) baseline reporting template and provide guidance on submitting a DY3 or DY4 baseline for the selected alternate achievement outcome. All providers with an alternate achievement outcome will be asked to submit a baseline for their selected measure, regardless if a baseline was previously submitted. This is to prepare for possible reporting in DY5. All providers who were approved by HHSC to select an alternate outcome measure (PFPM or P4P Cat 3 outcome measure) as a result of being transitioned to maintenance mode for high performance should inform HHSC of their selected alternate outcome measure as soon as possible.
- HHSC is sending an updated list of Stretch Activity and Population Focused Priority measure selections. This list is current as of September 30<sup>th</sup>, 2015. HHSC recently released additional guidance for providers reporting Stretch Activity 3. As the volume for other stretch activities is fairly small, HHSC will not be producing additional guidance for other Stretch Activities. At this

time, providers may only change a current selection to Stretch Activity 3, and may not switch to any other stretch activity if not currently selected.

- A number of providers have expressed concern to MSLC about the compendium specifications for the following outcomes: IT-1.10 HbA1c poor control, IT-1.11 BP control, IT-1.21 Adult Body Mass Index (BMI) Assessment, IT-1.7 Controlling high blood pressure, and IT-12.4 Pneumonia vaccination status for older adults. Specifically, providers are concerned about the denominator requirement for a clinic visit in the 12 months prior to the measurement period. Based on input from MSLC and providers, HHSC has determined that providers may waive the requirement for an encounter in 12 months prior to the baseline measurement period for these outcomes. Providers should report with consistent specifications across baseline and performance reporting periods. Going forward, providers who waive this encounter requirement will not need written approval from HHSC. Providers should note this deviation from specification when reporting or correcting prior reporting for these outcomes. Myers and Stauffer will be reaching out to providers with impacted outcomes to confirm their decision to waive the requirement. We're including in today's notes a summary of MSLC's assessment of the clinical impact of waiving the prior year encounter requirement for providers to review before making a decision about waiving the encounter requirement.

Measure	Title	MSLC Clinical Impact Assessment
IT-1.10	Diabetes care: HbA1c poor control (>9.0%)	Clinical Impact: Removal of this requirement could cause providers to be counting patients that they have not had the time to treat in order to improve the patient's HbA1c test results.
IT-1.11	Diabetes care: BP control (<140/90mm Hg)	Clinical Impact: Removal of this requirement could cause providers to be counting patients that they have not had the time to treat in order to improve the patient's BP test results.
IT-1.21	Adult Body Mass Index (BMI) Assessment	Clinical Impact: Minimal clinical impact. Provider's documentation of BMI and follow-up plans for the baseline measurement period is not impacted by the presence of an encounter in the prior 12 month period.
IT-1.7	Controlling high blood pressure	Clinical Impact: Removal of this requirement could cause providers to be counting patients that they have not had the time to treat in order to improve the patient's BP test results. However, the patient is required to have an encounter with the diagnosis of HTN in the first 6 months of the measurement period so this does give the provider at least 6 months of treatment time with each patient included in the baseline.
IT-12.4	Pneumonia vaccination status for older adults	Clinical Impact: Negligible clinical impact. Patient history of having the vaccination will not likely be impacted by having a prior year encounter.

### 3. Other Information for Anchors

#### Waiver Renewal Planning

- The link to the survey for stakeholder feedback on protocol level proposals for the 1115 Transformation Waiver Extension Application remains open: <https://www.surveymonkey.com/r/YJFKRMG>. More information can be found on the waiver website's [Waiver Renewal](#) page.
- Attached is information on the transition year (DY 6) proposal that has been communicated to CMS, which is consistent with the September webinar.
- The waiver team is focusing on additional details for the proposed transition year (DY 6) and targets December 2015/early January 2016 to provide additional information and will update the survey for feedback at that time
- HHSC is continuing to review projects to determine if a project is eligible to continue or requires changes for the waiver extension period and plans to provide information in January as previously communicated. Almost all of the projects reviewed will be eligible to continue, but some will require strengthening or next steps. HHSC may add additional projects for review based on October reporting submissions.
- "Rebalancing": HHSC is proposing that DY7-10 valuation across Categories 1-3 and the performance bonus pool (formerly Category 4) be redistributed to fixed percentages of a provider's total DY valuation. During DY2-5, distribution of funding across Categories varied based on the Program Funding and Mechanics Protocol requirements, initial provider determinations, withdrawn projects, and valuation changes. Currently, Category 1 and 2 DY5 valuation ranges from 25 to 82 percent of total provider DY5 valuation. Similarly, Category 3 DY5 valuation varies from 18 to 69 percent of total provider DY5 valuation. With the changes to DSRIP in the waiver extension (streamlining Category 1 and 2 milestones, changing Category 3 to pay-for-reporting and Category 4 to pay-for-performance for the Performance Bonus Pool), HHSC proposes to standardize funding across Categories while maintaining total provider valuation. HHSC will work with stakeholders to determine the distribution across Categories and submit for CMS review.

For example, Provider A has the following projects and funding distribution in DY5:

# Cat 1/2 Projects	Cat 1/2 DY5 Value	Cat 3 DY5 Value	Cat 4 DY5 Value	Total DY5 Value	Cat 1-2 DY5 % of Total	Cat 3 DY5 % of Total	Cat 4 DY5 % of Total
6	\$7,245,678	\$4,654,151	\$811,888	\$12,711,717	57.0%	36.6%	6.4%

If HHSC proposes the following hypothetical standardized percentages, then Provider A's DY7 valuation would be the following. Category 1-2 projects and Category 3 would be adjusted proportionately.

# Cat 1/2 Projects	Cat 1/2 DY5 Value	Cat 3 DY5 Value	Cat 4 DY5 Value	Total DY5 Value	Cat 1-2 DY5 % of Total	Cat 3 DY5 % of Total	Cat 4 DY5 % of Total
6	\$8,898,202	\$2,542,343	\$1,271,172	\$12,711,717	70.0%	20%	10%

#### Update on Waiver Extension Application

- HHSC met with CMS in November regarding the extension application. We hope to receive formal written feedback from CMS either in December or January.
- HHSC anticipates getting some initial feedback from CMS on the transition year proposal this

month.

- For UC, CMS indicated that Texas' ask is more than what CMS thinks is warranted. We will do the required independent analysis, but asked for an extension beyond the CMS requested submission date of May 31, 2016.
- For DSRIP, CMS asked Texas to explore further financial integration of DSRIP into Medicaid managed care (i.e., running DSRIP payments through the managed care plans, similar to NAIP). We explained at a high level the operational complexities of this (300 varying providers) and also that one of the DSRIP target populations is low income uninsured. CMS understands these considerations, and asked HHSC to explore potential options to move in this direction. HHSC is analyzing internally and will share more with stakeholders as we have more information.
- Based on the discussions thus far with CMS, HHSC believes an initial 1-2 year extension is probable to enable more time for more detailed negotiations for the later years in the extension.

**Clinical Champions**

- Based largely on the Transformational Impact Summaries, HHSC and the Clinical Champions are working together to describe effective models for care delivery. HHSC will use this information around best and promising practices to support protocol development in the renewal period as well as offering guidance to providers on opportunities to make improvements in continuing DSRIP projects.
- These best practices will be included in the Transformation Extension Menu (TEM) project options for replacement projects, if approved. The next iteration of the menu will include proposed best practice models for the designated project options. The next iteration will be shared with stakeholders for feedback in January 2016. The feedback will inform the proposed TEM menu proposed to CMS.

**DSRIP Statewide Events Calendar**

February 2016			
RHP	Date	Topic	Contact
9 & 10	2/9-10	2 <sup>nd</sup> Annual RHP 9 & RHP 10 Collaborative Connections - Impacting Care	RHP 9: <a href="#">Margie Roche</a> RHP 10: <a href="#">Meredith Oney</a>

*For waiver questions, email waiver staff: [TXHealthcareTransformation@hhsc.state.tx.us](mailto:TXHealthcareTransformation@hhsc.state.tx.us).  
 Include "Anchor (RHP#):" followed by the subject in the subject line of your email so staff can identify your request.*