



**Healthy Texas Women
Section 1115
Demonstration Extension
Application**

**As Required by
Centers for Medicare & Medicaid
Services**

**Texas Health and Human Services
March 2024**



TEXAS
Health and Human
Services

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Executive Summary

Healthy Texas Women Demonstration

The Healthy Texas Women (HTW) Demonstration has a history that began with a predecessor program called the Texas Women's Health Program. In December 2006, the Centers for Medicare and Medicaid Services (CMS) approved the Texas Women's Health Program demonstration under section 1115(a) of the Social Security Act (the Act) that provided a limited Medicaid benefit package of family planning and services to women ages 18 to 44. The goal of the Texas Women's Health Program was to improve health outcomes for low-income Texas women and babies, and to reduce expenditures for Medicaid-paid births by increasing access to family planning services. The Texas Women's Health Program demonstration expired in December 2012 and the program continues using general revenue (GR) funds.

On July 1, 2016, the Health and Human Services Commission (HHSC) launched the state funded Healthy Texas Women (HTW) program to provide women's health and family planning services at no cost to eligible, low-income Texas women.

On January 22, 2020, CMS approved the HTW demonstration under section 1115(a) of the Act for five years, from January 22, 2020, to December 31, 2024. The HTW demonstration is designed to further the goals of Title XIX of the Social Security Act (Medicaid) by increasing and strengthening coverage for low-income women in Texas through the provision of a unique benefit package for women who would not otherwise be eligible for family planning and preventive services under Texas Medicaid. Additionally, the HTW demonstration is designed to improve health outcomes for the Medicaid population by providing preconception and interconception care to women eligible for Medicaid coverage if they become pregnant, aiming to improve birth outcomes and support optimal birth spacing. The HTW demonstration provides family planning services as well as other women's health services that contribute to preconception care, better birth outcomes and improved maternal health in Texas.

HHSC now seeks to extend the HTW demonstration from January 1, 2025 through December 31, 2029, and submits this request to CMS as required by federal regulations at 42 CFR §431.412(c)(2).The following information will demonstrate compliance with demonstration extension requests and transparency requirements per the CFR.

CFR Requirements

42 CFR 431.412(c)(2)(i) A historical narrative summary of the demonstration project, which includes the objectives set forth at the time the demonstration was approved, evidence of how these objectives have or have not been met, and the future goals of the program.

Through the HTW demonstration, HHSC sought to enhance women's health care services by increasing access to and participation in the HTW program. HTW demonstration services are available statewide to eligible women.

The goals and objectives of the HTW demonstration were to:

- Increase access to women's health and family planning services to avert unintended pregnancies, positively affect the outcome of future pregnancies, and positively impact the health and well-being of women and their families.
 - HHSC provided women's health and family planning services to all women eligible for HTW. For example, in State Fiscal Year (SFY) 2022, the number of HTW women receiving a long-acting reversible contraceptive was 7,467. HHSC will continue to provide and promote the use of an array of women's health and family planning services in the HTW demonstration extension request if extended.
- Increase access to preventive health care, including screening and treatment for hypertension, diabetes and high cholesterol; to positively impact maternal health; and reduce maternal mortality.
 - HHSC provided screenings and treatment for early detection and prevention of chronic health conditions and some immunizations. HHSC will continue to provide preventive health care in the HTW Demonstration extension request if extended.

- Increase access to women's breast and cervical cancer services to promote early cancer detection.
 - HHSC provided breast and cervical cancer services such as radiological procedures, including mammograms. In 2021, the breast and cervical cancer services rate was 60%, (which was the only year for which complete data was available for the interim report), is 2.8 percentage points higher than the corresponding rate among all Texas Medicaid recipients. HHSC will continue to provide these services in the HTW demonstration extension request, if extended.
- Implement the state policy to favor childbirth and family planning services that do not include elective abortions or the promotion of elective abortions within the continuum of care or services and to avoid the direct or indirect use of state funds to promote or support elective abortions.
 - HHSC required criteria for HTW provider enrollment to align with state policy. HHSC will continue to require the same provider enrollment criteria in the HTW demonstration extension request if extended.
- Reduce the overall cost of publicly funded health care (including federally funded health care) by providing low-income Texans access to safe, effective services consistent with these goals.
 - HHSC continued to provide safe, effective services to low-income Texans. Per the Interim Report, Per Member Per Month (PMPM) costs for the HTW Demonstration remained considerably below the CMS pre-established expenditure limits. HHSC will continue to make efforts to reduce the overall cost of publicly funded health care by providing a safe and effective service package in the HTW demonstration extension request and monitor HTW client enrollment.

42 CFR 431.412(c)(2)(ii) If changes are requested, a narrative of the changes being requested along with the objective of the change and the desired outcomes.

House Bill (H.B.) 133, 87th Legislature, Regular Session, 2021, requires HHSC to contract with Medicaid managed care organizations (MCOs) to provide HTW services. To comply with H.B. 133, the extension request proposes to change the delivery of HTW services from the current fee-for-service (FFS) model to a managed care model, except that enrollees who are members of a federally recognized tribe will be able to voluntarily enroll in managed care or remain in FFS. Under the managed care model, MCOs will contract, credential, and reimburse HTW providers for HTW services. The proposed effective date for the transition to a managed care model is Quarter 1 of SFY 2026.

Transitioning the delivery of HTW services to a managed care model will:

- Further the goals of the HTW demonstration by reducing the overall cost of publicly funded health care, including federally funded health care, and providing Texas women access to safe, effective services.
- Increase access to and utilization of preventive health care, breast and cervical cancer services, and critical health services.
- Improve the health of women in the HTW demonstration by incorporating core features of Medicaid managed care programs into the HTW demonstration, such as the establishment of a primary care provider, person-centered service coordination, and value added services.
- Increase access to women's health and family planning services by enhancing continuity of care for women transitioning among Texas' managed care programs – STAR, the Children's Health Insurance Program (CHIP), and HTW throughout a woman's lifecycle. This includes young women transitioning from adolescent to well woman care, pregnant women transitioning from well woman to obstetric care, and postpartum women transitioning back to well woman care.
- Further HHSC's goal of advancing value-based payment arrangements across Medicaid managed care programs and providers by aligning incentives for more holistic, integrated, and accountable care models.

Additionally, the state's comparable income limit was increased to convert existing state income threshold standards from 200% of the Federal Poverty

Level (FPL) to 204.2% of the FPL, the equivalent to Modified Adjusted Gross Income (MAGI) standard.

42 CFR 431.412(c)(2)(iii) A list and programmatic description of the waivers and expenditure authorities that are being requested for the extension period, or a statement that the State is requesting the same waiver and expenditure authorities as those approved in the current Demonstration.

HHSC is requesting the same waivers as those approved in the current Demonstration, including the approved waiver of Section 1902(a)(23)(A) of the Social Security Act that will enable the State to limit freedom of choice of provider through the use of mandatory enrollment in managed care organizations.

HHSC is requesting the same expenditure authorities as those approved in the current demonstration. Additionally, HHSC is proposing to add the following expenditure authority with this extension request:

Expenditures Related Managed Care Organization (MCO) Enrollment and Disenrollment

Expenditures made under contracts that do not meet the requirements in section 1903(m) of the Act specified below. Managed care organizations (MCOs) providing HTW services will be required to meet all requirements of section 1903(m) of the Act except the following:

- Section 1903(m)(2)(H) of the Act and Federal regulations at 42 CFR Part 438, to the extent that the regulations implementing section 1932(a)(4) of the Act are inconsistent with the enrollment and disenrollment provisions contained in STC 18(c) of the HTW demonstration STCs, which permit the State to authorize automatic re-enrollment in the same MCO if the beneficiary loses eligibility for HTW services for less than six (6) months.

42 CFR 431.412(c)(2)(iv) Summaries of External Quality Review Organization (EQRO) reports, managed care organization (MCO)

and State quality assurance monitoring, and any other documentation of the quality of and access to care provided under the Demonstration, such as the CMS Form 416 EPSDT/CHIP report.

Because the HTW demonstration has operated under a FFS model, the EQRO reports, quality assurance monitoring and documentation required under this CFR requirement are not applicable. However, the quarterly and annual HTW monitoring reports HHSC currently submits to CMS captures data measurements for Utilization Monitoring (Tables 2 through 6), and Primary Care Physicians and Pharmacy Network Adequacy (Tables 8 and 8.1). Upon CMS approval of the extension and the change to a managed care delivery model, the HTW demonstration will be monitored in accordance with the above CFR requirements for EQRO reports, MCO, state quality assurance monitoring, and documentation of the quality and access to care.

42 CFR 431.412(c)(2)(v) Financial data demonstrating the State's historical and projected expenditures for the requested period of the extension, as well as cumulatively over the lifetime of the demonstration. This includes a financial analysis of changes to the demonstration requested by the State.

The extension of the HTW demonstration (effective date January 1, 2025) will result in a revised budget neutrality model that will be negotiated with CMS and will include transitioning the HTW demonstration to a managed care delivery model. The change to a managed care delivery model may impact budget neutrality due to the addition of capitation related expenses for MCO administrative costs, risk margin and premium tax. It is estimated that the All Funds (AF) costs of capitation for Calendar Year (CY) 2025 - which includes seven months of impact -- is approximately \$17.5M with a General Revenue (GR) cost of approximately \$4.8M (27.6 percent of AF). The first full year impact in CY 2026 is estimated to cost approximately \$31.9M AF and \$8.8M GR (27.6 percent of AF). The impact to budget neutrality will ultimately depend on the revised budget neutrality model as the change in delivery model occurs after the current demonstration ends and will be part of extension negotiations with CMS.

Texas is assuming the latest CMS budget neutrality policies, including the re-basing methodology, would apply to the HTW demonstration. Below is a summary of the methodology applied and a description of the State's overall methodology in projecting that Demonstration Year (DY) 6-DY10 will remain budget neutral.

- Rebased Without Waiver (WOW) Per Member Per Month (PMPM) costs are set at 80% to actual state costs and 20% of the prior established WOW PMPMs.
- For the actual state costs portion of the rebase, HHSC is submitting an adjusted estimate of costs related to public health emergency (PHE) maintenance of effort (MOE) policies, as they have significantly impacted PMPMs under the HTW demonstration, resulting in a significant reduction due to the current case-mix of clients. This altered case-mix excludes clients that would have entered HTW after leaving Medicaid pregnant women postpartum coverage but instead remain in Medicaid with full benefits and includes lower utilizing clients that are remaining in HTW through the duration of the PHE who otherwise would have exited without the MOE policy.
 - Pre-PHE MOE, the calendar year (CY) 2019 HTW PMPM was \$21.77. But as of CY 2023, the PMPM is estimated to be \$10.48 based on incomplete data through May 2023 and projections for June 23 – December 23. If the State were to use the PHE impacted CY 2023 PMPM of \$10.48 as the base year for the CY 2025 extension/rebase, budget neutrality would not be achieved as normal case-mix returns post-PHE MOE policy.
 - The proposed adjusted CY 2023 base year of \$23.52 is an average annual increase of approximately 1.9% from the pre-PHE CY 2019 PMPM – below the allowable President's Trend of 4.6% used to trend the rebased CY 2025 WOW PMPM forward.
 - The proposed CY 2023 base year of \$23.52 was estimated by assuming the Pre-PHE utilization rate among the enrolled would have remained stable through CY 2023 to maintain expected PMPM levels absent PHE MOE impact; however, actual cost per utilizer data is still used. In addition, an adjustment is made to vendor drug cost per client served to stay flat at CY 2019 Pre-PHE levels as the MOE case-mix did have a negative impact on

vendor drug cost per utilizer that is inconsistent with overall drug cost trends.

- The work for the proposed adjusted CY 2023 WOW PMPM is included as part of the submitted budget neutrality workbook. The \$23.52 PMPM can be found on the “Historical CY 2019-23” tab, cell F19 and the work leading to this calculation can be followed back to the “WOW PHE MOE Adjust” tab.
- Caseload forecasts for both With Waiver (WW) and WOW sides are a continuation of the caseload forecast for years 4 and 5, based on time series models using data through August 2023. All populations currently excluded from the waiver are assumed to be excluded in years 6-10.
- Cost forecasts on the WOW side of the budget neutrality exhibit utilize the estimated re-based DY06 PMPM as described above, trended forward through DY10 with an annual 4.6% Presidential Cost Trend as shown on the “WOW PMPMs tab” and according to latest CMS BN policy that continues use of the President’s Trend (prior trend is currently assumed as any updates to this trend are not known at this time by Texas).
- The cost forecasts on the WW side of budget neutrality are a continuation of the cost forecast for years 4 and 5, based on time series models using data through May 2023 and internal assumptions regarding a return to pre-PHE Case-Mix levels. All costs (costs for clients aged 15-17 and HTW+ Costs) that are currently excluded from the waiver are assumed to be excluded in years 6-10.
- In addition, as part of the extension, the delivery of HTW services will change to include a managed care model.
 - The managed care impact only impacts the WW or state costs and adds capitation related expenses to the existing forecast. No savings assumption has been included at this time. As this is a limited benefit program, the capitation costs only include a \$5 fixed admin cost, premium tax and risk margin as required for capitated rates.
 - The managed care impact can be found on the “WW PMPMs” tab – rows 12-14 of the budget neutrality workbook and the work for the capitation costs can be followed back to the “Capitation” tab.

- The “BN Summary PHE Adj & Carve-in” tab shows all work described above leading to the state’s estimates for the extension including the managed care carve-in, budget neutrality continues to be maintained (rows 32-34).
- The BN workbook is included as an attachment to the extension application packet.

42 CFR 431.412(c)(2)(vi) An evaluation report of the demonstration, inclusive of evaluation activities and findings to date, plans for evaluation activities during the extension period, and if changes are requested, identification of research hypotheses related to the changes and an evaluation design for addressing the proposed revisions.

Overview of the HTW 1115 Demonstration Evaluation

The focus of the HTW evaluation is to determine if the HTW demonstration waiver achieved its intended objectives. The current CMS-approved HTW evaluation design, covering Demonstration Years (DYs) 1 to 5 (January 2020 - December 2024), is guided by five evaluation questions focused on access to services, utilization of services, women’s health and pregnancy outcomes, effective use of public funds, and implementation of the provider eligibility criteria. Each evaluation question is addressed through a minimum of one corresponding hypothesis and measure.^a Altogether, the current CMS-approved HTW evaluation design includes five evaluation questions, eight hypotheses, and 29 evaluation measures.^b

Evaluation Activities to Date

During the past four years, HHSC developed the CMS-approved evaluation design; procured an external evaluator; provided the external evaluator with data sources outlined in the evaluation plan; provided data-related technical

^a The current CMS-approved evaluation design plan can be found at <https://www.hhs.texas.gov/sites/default/files/documents/htw-1115-waiver-evaluation-design.pdf>.

^b One hypothesis and four corresponding evaluation measures are excluded from these tallies as they pertain to HTW Plus services. Based on CMS direction, HHSC incorporated the HTW Plus services into the CMS-approved evaluation plan covering DYs 1 to 5. However, at the time of writing, the HTW Plus amendment was still awaiting CMS determination and is therefore excluded from the interim report.

assistance as requested by the external evaluator; and participated in planned and ad hoc meetings with the external evaluator. Additionally, HHSC received the draft interim report from the external evaluator on September 1, 2023. The interim report was submitted to CMS on December 21, 2023.

Preliminary Evaluation Findings to Date

The draft interim report was submitted to CMS on December 21, 2023. The interim report evaluated measures related to access, utilization, health outcomes, costs, and the provider eligibility criteria from the first two years of the demonstration (2020-2021) compared to the predecessor program. Key findings from the interim report are summarized below.

Importantly, findings from the interim report should be interpreted with caution given that the HTW demonstration coincided with the federal COVID-19 Public Health Emergency (PHE). The PHE impacted individuals' engagement with the healthcare services, which influenced measures examining access to and utilization of HTW services. Additionally, PHE-related maintenance of eligibility policies changed the overall composition of the HTW population, which also influenced observed effects of the HTW demonstration. Because the interim report primarily relies on data through 2021, findings are only reflective of the HTW demonstration during the PHE. The summative report will include data after the PHE, providing greater insight into the HTW demonstration. Key findings most directly impacted by the PHE, or PHE-related policies, are noted below to support interpretation.

Planned Evaluation Activities During the HTW 1115 Demonstration Extension

HHSC will continue to comply with federal evaluation monitoring and reporting requirements during the HTW demonstration extension. Evaluation monitoring and reporting will remain critical as the HTW demonstration will undergo a change during the extension period when the delivery of services transition from fee-for-service (FFS) to managed care during Quarter 1 of SFY 2026 (approximately nine to twelve months after the extension period begins). This transition may influence measures related to access, quality, and cost. As a result, the evaluation for the HTW demonstration extension

will focus on the impacts of this service delivery change. Whenever possible, HHSC will retain data sources, statistical methods, and/or outcome measures in the current evaluation design to support continuity across demonstration approval periods, but hypotheses will shift from testing differences before and after the HTW demonstration to testing differences before and after the transition to managed care under the HTW demonstration. HHSC will also add new evaluation components, where necessary, to ensure the evaluation provides a comprehensive assessment of HTW services delivered under managed care.

HHSC will submit a draft evaluation design to CMS no later than 120 calendar days after the HTW demonstration extension is approved. Tentative plans for the evaluation during HTW demonstration extension period are outlined in Table 1; final components of the evaluation design will be refined based on applicability of measures, data availability, and feasibility.

The HTW Interim Report from the external evaluator the University of Texas Health School of Public Health Center for Health Care Data, is provided as an attachment to the extension application packet.

Table 1. Proposed Revisions to the HTW Demonstration Evaluation

Current CMS-Approved Evaluation Design	Tentative Plans for HTW Demonstration Extension Evaluation	Summary of Proposed Updates
<p>Evaluation Question 1. Did the HTW Demonstration increase access to family planning, family planning-related, preconception care, and postpartum services for low-income women in Texas?</p> <ul style="list-style-type: none"> Hypothesis 1.1. The HTW Demonstration will maintain or increase access to family planning, family planning-related, preconception care, and postpartum services for low-income women in Texas. Hypothesis 1.2. The state’s outreach and engagement activities support understanding of the HTW Demonstration. 	<p>Evaluation Question 1. Did the transition of HTW services to managed care improve access to family planning, family planning-related, and preconception care, services for low-income women in Texas?</p> <ul style="list-style-type: none"> Hypothesis 1.1. The transition of HTW services to managed care will maintain or increase access to family planning, family planning-related, and preconception care for low-income women in Texas. Hypothesis 1.2. The state’s outreach and engagement activities will continue to support understanding of HTW (<i>during and after the transition to managed care</i>). 	<p>The evaluation question and hypotheses will remain similar, but the focus will shift from pre/post Demonstration, to pre/post managed care transition under the Demonstration.</p> <p>HHSC will review and modify current measures, where necessary, to ensure they are applicable within the managed care environment, especially the network adequacy measure as the provider network may be impacted by the transition to managed care. HHSC may also add new measures specific to managed care service delivery.</p>
<p>Evaluation Question 2. Did the HTW Demonstration increase utilization of family planning, preconception care, and postpartum services?</p> <ul style="list-style-type: none"> Hypothesis 2.1. The HTW Demonstration will maintain or increase utilization of family planning services among HTW clients. Hypothesis 2.2. The HTW Demonstration will maintain or increase utilization of 	<p>Evaluation Question 2. Did the transition of HTW services to managed care improve utilization of family planning, and preconception care, services?</p> <ul style="list-style-type: none"> Hypothesis 2.1. The transition of HTW services to managed care will maintain or increase utilization of family planning services among HTW clients. Hypothesis 2.2. The transition of HTW services to managed care will maintain or increase utilization of 	<p>Hypothesis 2.3, which is specific to HTW Plus services, will be removed.^c Evaluation Question 2 and Hypotheses 2.1 and 2.2 will remain similar. However, the focus of the evaluation question will shift from pre/post Demonstration, to pre/post managed care transition under the Demonstration.</p> <p>HHSC will review and modify current measures, where necessary, to ensure they are applicable within the managed care environment. HHSC may also add new measures specific to managed care service delivery.</p>

^c At the time of writing, the HTW Plus amendment was still awaiting CMS determination and is therefore excluded from HTW Demonstration extension evaluation.

<p>preconception care services among HTW clients.</p> <ul style="list-style-type: none"> • Hypothesis 2.3. The HTW Demonstration will increase utilization of HTW Plus postpartum care services among HTW clients. 	<p>preconception care services among HTW clients.</p>	
<p>Evaluation Question 3. Did the HTW Demonstration improve women’s health and pregnancy outcomes?</p> <ul style="list-style-type: none"> • Hypothesis 3.1. The HTW Demonstration will maintain or improve women’s health among HTW clients. • Hypothesis 3.2. The HTW Demonstration will maintain or improve pregnancy outcomes and maternal health among HTW clients. 	<p>Evaluation Question 3. Did the transition of HTW services to managed care improve women’s health and pregnancy outcomes?</p> <ul style="list-style-type: none"> • Hypothesis 3.1. The transition of HTW services to managed care will maintain or improve women’s health among HTW clients. • Hypothesis 3.2. The transition of HTW services to managed care will maintain or improve pregnancy outcomes and maternal health among HTW clients. 	<p>The evaluation question and hypotheses will remain similar, but the focus will shift from pre/post Demonstration, to pre/post managed care transition under the Demonstration.</p> <p>HHSC will review and modify current measures, where necessary, to ensure they are applicable within the managed care environment. HHSC may also add new measures specific to managed care service delivery.</p>
<p>Evaluation Question 4. Did the HTW Demonstration effectively use public funds to provide women’s health care in Texas?</p> <ul style="list-style-type: none"> • Hypothesis 4.1. The HTW Demonstration will remain at or below the CMS-specified annual expenditures limits. 	<p>Evaluation Question 4. Did the HTW Demonstration effectively use public funds to provide women’s health care in Texas?</p> <ul style="list-style-type: none"> • Hypothesis 4.1. The HTW Demonstration will remain at or below the CMS-specified annual expenditures limits. 	<p>The evaluation question and hypothesis will remain the same, but HHSC will direct the external evaluators to interpret findings within the context of the transition to managed care, as with-waiver and without-waiver costs may be significantly different under managed care compared to prior FFS estimates.</p>
<p>Evaluation Question 5. How does implementation of the HTW provider eligibility criteria outlined in Goal 5 of the HTW Demonstration affect access to and utilization of women’s health and family planning services?</p> <ul style="list-style-type: none"> • Hypothesis 5.1. The implementation of HTW provider eligibility criteria does not adversely affect access to and utilization of women’s health and family planning services. 	<p>Evaluation Question 5. How does implementation of the HTW provider eligibility criteria outlined in Goal 5 of the HTW Demonstration affect access to and utilization of women’s health and family planning services?</p> <ul style="list-style-type: none"> • Hypothesis 5.1. The implementation of HTW provider eligibility criteria does not adversely affect access to and utilization of women’s health and family planning services. 	<p>The intent of the evaluation question and hypothesis will remain the same as the provider eligibility criteria will continue under managed care. However, the provider network may be impacted by the transition to managed care.</p> <p>HHSC will review and modify current measures, where necessary, to ensure they are applicable within the managed care environment. HHSC may also add new measures specific to managed care service delivery.</p>

<p>N/A</p>	<p>Evaluation Question 6. How did the transition of HTW services to managed care impact member, provider, and MCO experiences with HTW?</p> <ul style="list-style-type: none"> Hypothesis 6.1. The transition of HTW services to managed care will support overall experiences with the HTW Demonstration. <p>Evaluation Question 7. Did the transition of HTW services to managed care increase the use of value-based payment arrangements?</p> <ul style="list-style-type: none"> Hypothesis 7.1. The implementation of value-based payment arrangements will increase over time. 	<p>These evaluation questions and hypotheses have been added for the HTW Demonstration extension period. Evaluation Question 6 will assess perceptions of and overall satisfaction with the HTW demonstration after transitioning to managed care among MCOs, providers, and women enrolled in HTW.</p> <p>Evaluation Question 7 will assess whether transitioning HTW to managed care supported the use of value-based payment arrangements.</p>
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42 CFR 431.412(c)(2)(vii) Documentation of the State’s compliance with the public notice process set forth in § 431.408 of this subpart, including the post-award public input process described in § 431.420(c) of this subpart, with a report of the issues raised by the public during the comment period and how the State considered the comments when developing the demonstration extension application.

Pursuant to the special terms and conditions (STCs) for the HTW demonstration, the public notice for public comment about the changes requested in the extension was published in the Texas Register on February 9, 2024 (see attachment named TX Reg Public Notice). The Texas Register is published weekly and is the journal of state agency rulemaking for Texas. In addition to activities related to rules, the Texas Register publishes various public notices including attorney general opinions, gubernatorial appointments, state agency requests for proposals and other documents, and it is used regularly by stakeholders. HHSC publishes all Medicaid waiver submissions in the Texas Register in addition to many other notices. The publication is available online and in hard copy at the Texas State Library and Archives Commission, the State Law Library, the Legislative Reference Library located in the State Capitol building, and the University of North Texas libraries. All of these sites are located in Austin, except for the University of North Texas, which is located in Denton. Printed copies of the Texas Register are also available through paid subscription; subscribers include cities, counties and public libraries throughout the state.

HHSC hosted two public hearings to provide information about the demonstration extension as well as an opportunity for the public to provide comments. Locations, dates and times were as follows:

On February 22, 2024 at 1 p.m., HHSC held a hybrid public hearing with both virtual and in-person options. The public hearing was held in conjunction with the quarterly State Medicaid Managed Care Advisory Committee (SMMCAC) meeting and was located at the Texas Department of State Health Services, Moreton Building, Room M100, First Floor, 1100 West 49th Street, Austin, Texas 78756. Members of the public pre-registered to provide oral comments virtually during the meeting and written comments by completing a Public Comment Registration form.

On March 5, 2024 at 10:30 a.m., HHSC held a public hearing at 801 S. State Highway 161, 2nd Floor, Lone Star Conference Room #200, Grand Prairie, TX 75051. This was an in-person hearing. Public comments were accepted at this hearing. Members of the public were able to provide oral comments during the hearing in-person at the hearing location either by pre-registering using a Public Comment Registration form or without pre-registering by completing a form at the entrance to the hearing room.

Tribal Consultation

In accordance with 42 CFR § 431.408(b) and the requirements included in STC 12, letters were sent on February 9, 2024, to tribal organizations (included Federally-recognized Indian tribes) requesting comments, questions, or feedback on the demonstration extension application by March 11, 2024, (see attached copies of all letters sent to the tribes). Texas also conducted consultation activities with the tribes and sought advice from Indian health programs, and urban Indian health organizations prior to submission of the demonstration extension application. HHSC provided the letters to the State's tribal organizations (Alabama-Coushatta Tribe, Kickapoo Traditional Tribe, Texas Native Health, and Yselta Del Sur Pueblo).

The notification included detailed information about the public hearings as well as information on where the tribal representatives could find online postings of the abbreviated and detailed public notices and a copy of the demonstration extension application.

In addition to the letters sent on February 9, 2024, staff informed the tribal representatives of the demonstration extension application and provided an overview of the application during a quarterly call with tribal representatives held on March 4, 2024.

No comments, or feedback on the demonstration extension application were received from tribal organizations (including Federally-recognized Indian tribes) during the initial Tribal Consultation period.

Additional Public Notice Activities

On February 8, 2024, HHSC directed their network of Access and Eligibility Services local benefit offices to physically post the detailed Public Notice of Intent (PNI) from February 9, 2024 through March 11, 2024. Local Access and Eligibility offices are accessible to the public and are predominantly used by persons seeking or receiving Medicaid and other public health services benefits.

In accordance with 42 CFR § 431.408(a)(2)(iii), HHSC utilized electronic mailing lists to send notices and notify interested parties of the demonstration extension application and provide the opportunity to submit comments and attend public hearings. The electronic notices were generated through the HHSC Gov Delivery system. The system allows members of the public to sign up for HHSC email notifications. The electronic notice was sent to Healthy Texas Women contractors, Texas Medicaid providers, HHSC stakeholders, including those signed up to receive notifications regarding Public Meetings and Events, Medicaid Transformation Waiver Gov Delivery list, and the Women's Health and Education Services Listserv.

In accordance with 42 CFR § 431.408(a)(1), HHSC posted the full public notice and accessible extension application on HHSC's public facing webpage on February 9, 2024 and the demonstration extension application continues to be available at the following link: [Healthy Texas Women 1115 Demonstration | Texas Health and Human Services.](#)

Post Award Public Forums

In compliance with STC 29, and as part of the Medical Care Advisory Committee (MCAC) meeting, HHSC hosted a public post-award forum in-person with a virtual attendance option on June 8, 2023, to provide the public with an annual update on progress of the HTW demonstration. The public forum was held at the Winters Building Public Hearing Room, 701 W. 51st Street Austin, TX 78751. The date, time, and location of the public forum were published on HHSC's public facing website 30 days in advance of the meeting. A link to the demonstration year 3 2022 annual report was also provided to the public. The presentation and agenda were posted to the HHSC public facing website.

On May 14, 2024, as part of the MCAC meeting, HHSC will host the HTW

demonstration annual post-award forum in-person with a virtual attendance option, to provide the public with an annual update on the progress of the HTW demonstration, including the HTW extension request. The public forum will be held at the Winters Building Public Hearing Room, 701 W. 51st Street Austin, TX 78751. The date, time, and location of the public forum will be published on HHSC's public facing website 30 days in advance of the meeting.

Summary of Comments Received

HHSC received several written comments during the public comment period that were documented, reviewed, and carefully considered by HHSC staff. Based on public comment, HHSC may consider program updates in the future through a waiver amendment.

The following is a summary of the comments received, as well as HHSC's responses. Comments focused on the use of the modified adjusted gross income (MAGI) compliant form for enrollment in HTW, adding evaluation metrics around the quality of HIV care, program benefits, provider qualifications, program eligibility criteria, enrollment, renewal process, managed care organization and provider credentialing oversight, network adequacy, the transition to managed care and waiver authority.

Comments in Support

Public Comment

Individuals representing Every Body Texas, ViiV Healthcare, Vivent Health, Texas Women's Healthcare Coalition and The American College of Obstetricians & Gynecologists expressed support for the HTW program and demonstration extension.

State Response

HHSC appreciates the support. HHSC is committed to continuing to collaborate with women's health and family planning providers in the state to ensure the Healthy Texas Women (HTW) program continues and expands upon efforts to improve service and efficiency for HTW clients and providers.

Public Comment

A commenter expressed support for the waiver goal of increasing access to preventative care, including screening and treatment for sexually transmitted infections, and recommended the inclusion of Pre-exposure Prophylaxis (PrEP) as a covered preventive service.

State Response

HHSC appreciates the support for the HTW benefits package. HHSC reviews every request to include a new program benefit to determine if it is cost effective, is evidence-based, does not carry additional risk, and is within the scope of the HTW program.

Public Comment

A commenter supports moving the HTW program to managed care and urges the state to ensure a smooth transition process with limited impact on enrollees and providers.

State Response

HHSC is legislatively required to transition the HTW program to managed care. It is HHSC's goal to ensure a smooth transition process for enrollees and providers.

Comments on the HTW Client Application

Public Comment

Several commenters requested the shift from the long form client application to the use of a streamlined, short form Medicaid Family Planning Application for women who wish to enroll in HTW.

State Response

HHSC acknowledges the comment regarding the client application form for the HTW program. The Implementation Plan for Texas' current HTW 1115 waiver as approved by CMS on January 4, 2021, requires HHSC to use Medicaid Modified Adjusted Gross Income (MAGI) methodologies to determine household composition and financial eligibility, including the requirement that HTW applicants use one of Texas' approved applications for MAGI. HHSC will continue discussions with the Centers for Medicare and Medicaid Services (CMS) to determine if it is permissible to implement a different, non-MAGI application for the HTW 1115 Demonstration even though it is not a traditional family planning and related services program.

Comments on Services Provided

Public Comment

A commentor stated the HTW program provides a limited set of Medicaid benefits to women and believes many individuals may not receive all the recommended preventive services. The commentor urged HHSC to consider a more robust HTW benefit package.

State Response

HHSC acknowledges the comment regarding the HTW 1115 Demonstration benefits package and is committed to continuing to provide women's health and family planning services that contribute to maternal health and better birth outcomes in the HTW program.

Comments on Provider Network and Client Access

Public Comment

A commenter opposed HHSC's request to waive the Freedom of Choice requirement in the Social Security Act for the HTW demonstration and would not support any freedom of choice waiver if the state uses its managed care contracts to limit or impede access to providers that offer the full range of reproductive services.

State Response

HHSC acknowledges the commenter's concern regarding access to providers that offer the full range of reproductive services. HHSC clarifies that the HTW Demonstration extension is not proposing any program changes other than a change in the program delivery of services from a fee-for-service (FFS) delivery model to a managed care delivery model, as required by Texas Government Code §533.002555. A goal of the HTW demonstration is to increase access to women's health, family planning, and preventive services for women in Texas. In addition, as a state agency, HHSC is required to comply with state law regarding women's health provider qualifications. Consequently, provider eligibility requirements for the HTW 1115 Demonstration must remain compliant with Texas Human Resources Code §32.024(c-1). For these reasons, HHSC seeks in the HTW Demonstration extension application to continue to waive Section 1902(a)(23)(A) of the Social Security Act.

Comments on Eligibility & Enrollment

Public Comment

A commenter requested HHSC reconsider automatic enrollment for women transitioning from pregnant women's Medicaid and adjunctive eligibility.

State Response

HHSC acknowledges the comment regarding reconsideration of automatic enrollment. The Implementation Plan required by Special Term and Condition (STC) 17 of the HTW 1115 Demonstration requires HHSC to review financial eligibility before enrollment into the HTW program. However, women are automatically evaluated for HTW eligibility. Before a woman is automatically evaluated for the HTW program at the end of her Medicaid for Pregnant Women coverage period, HHSC will determine whether the woman is eligible for full coverage Medicaid or CHIP. If the woman is determined ineligible for full coverage Medicaid or CHIP, and she does not have Medicare or, any other creditable health coverage, she will be certified for the HTW program in addition to being referred to the federal Health Insurance Marketplace.

Public Comment

A commenter urged the state to ensure that eligibility determinations are updated in alignment with the 12 months postpartum coverage extension and that no new mother is accidentally disenrolled from Medicaid and transitioned to the HTW program during the postpartum period.

State Response

HHSC acknowledges the comment and has updated processes regarding eligibility determinations to be in alignment with the Medicaid 12 month postpartum coverage extension.

Public Comment

One comment focused on minor eligibility. The commenter expressed concern that HTW demonstration creates barriers to care for 15 through 17-year-olds by requiring a parent or legal guardian apply for or renew HTW services on behalf of minors 15-17 years of age and expressed general concerns for minor access to the program. Additionally, the commenter expressed concern over the eligibility requirements for minors in the HTW program differing from other Medicaid programs. The commenter recommends the state remove the requirement that parents, or legal guardians must apply and reapply and give permission for services for HTW on behalf of minors 15 – 17 years of age to access effective contraception and services.

State Response

HHSC acknowledges the comment regarding the eligibility requirements for minors ages 15-17 and is committed to continuing to provide women's health and family planning services to this population. Minors ages 15-17 are not included in the HTW 1115 Demonstration, and services for this population are non-Medicaid and fully funded through state general revenue.

Public Comment

Commenters recommended HHSC opt-in to presumptive eligibility for the HTW population.

State Response

At this time, HHSC does not have the authority to implement Medicaid presumptive eligibility for the HTW 1115 Demonstration extension without legislative direction.

Public Comment

One commenter suggested using the woman's income only, rather than extending the requirement to everyone in the household, stating this poses a barrier to birth control access for college aged women.

State Response

HHSC acknowledges the comment regarding household income. At this time, HHSC must continue to use MAGI methodologies as required in the CMS approved Implementation Plan approved on January 4, 2021, to determine household composition and financial eligibility as required by the HTW 1115 Demonstration. A woman's household size, and whose income is included when determining eligibility, is based on her tax filing status and tax relationships. HHSC only considers income that must be reported when filing a federal income tax return (taxable income). HHSC will continue discussions with the CMS to determine if it is permissible to implement a different, non-MAGI application process for the HTW 1115 Demonstration even though it is not a traditional family planning and related services program.

Comments Regarding Transitioning to Managed Care

Public Comment

One commenter requested HHSC evaluate how current policies and procedures may negatively impact access to care and recommends that HHSC increase oversight of provider credentialing with the transition from FFS to managed care.

State Response

The evaluation for the HTW 1115 Demonstration extension will focus on the impacts of the transition from FFS to managed care, including access to care. Additionally, MCOs have contractual obligations regarding provider credentialing turnaround times. HHSC will follow established policies and processes to monitor provider complaints related to credentialing.

Public Comment

One commenter stated HHSC should take steps to ensure network adequacy and expedited provider credentialing when moving to managed care, citing concerns about the availability of providers impacting the ability of women to obtain HTW care.

State Response

HHSC agrees maintaining an adequate provider network is critical for the HTW program. HHSC currently monitors and will continue to monitor the HTW provider network to ensure adequacy. HHSC also reports to CMS on network adequacy measures in the HTW quarterly monitoring reports and will continue to do so as the program shifts to managed care. HHSC will expand upon ongoing outreach efforts to help increase qualified provider enrollment in the HTW 1115 Demonstration.

Comments Regarding Evaluation Metrics

Public Comment

One commenter recommends adding HIV treatment adherence/viral load suppression as an additional evaluation metric to ensure the transition from FFS to managed care doesn't negatively impact screening and treatment for HTW beneficiaries with HIV.

State Response

HHSC appreciates the commenter's support for the ongoing evaluation of the HTW 1115 Demonstration. The evaluation for the HTW 1115 Demonstration extension will focus on the impacts of the transition from FFS to managed care, including changes in testing for sexually transmitted infections or diseases. Because HIV treatment is not currently an HTW covered benefit, evaluation metrics on treatment adherence and viral load suppression are not possible at this time. HHSC reviews every request to include a new program benefit to determine if it is cost effective, is evidence-based, does not carry additional risk, and is within the scope of the HTW program.

Additional Comment

Public Comment

A commenter recommends the following regarding the STAR/CHIP procurement that is currently in progress:

- Recommends that HHSC take steps during this interim to ensure that MCOs who are awarded contracts for HTW can assure stability and growth in the statewide provider network.
- Recommends that MCO contracts include a provision that requires them to have a consistent point of contact for HTW providers, and that this person be available for troubleshooting issues and billing questions.
- As a part of MCO readiness and education activities, HHSC should offer every available opportunity to learn about state and federal family planning requirements including choice of provider and prior authorization policies before implementation of HTW into Managed Care.

- As part of the transition calls with MCOs, the commenter recommends the agency bring in women’s health stakeholders and women’s health providers.
- Recommends considering the non-postpartum clients who will apply and enroll in the program without transitioning from Medicaid or CHIP. Clients who have no previous experience with managed care will need assistance with navigating the managed care system, which could include application assistance and supportive service coordination.

State Response

HHSC acknowledges the recommendations and will take them under consideration related to implementing the new STAR/CHIP contracts currently undergoing a procurement process.

Enrollment, Cost Sharing and Service Delivery

There were no changes to the eligibility in the HTW demonstration, however HHSC has updated the waiver documents to reflect the operational changes that were made to comply with the MAGI requirements. There is no expected impact to total enrollment in the HTW demonstration. Transitioning the delivery of HTW services to include a managed care model will require HTW clients to select and enroll with an MCO. Default enrollment and eligibility processes will apply. Under the extension, there will continue to be no beneficiary cost sharing.

CHIP Allotment Worksheet

The CHIP allotment worksheet is not applicable to the HTW extension request.