



Centers for Medicare & Medicaid Services

Section 1115 Demonstration FAST TRACK Extension Template for Program Changes



TEXAS
Health and Human
Services

Proposed Demonstration Changes for the Extension Period

- A. General Description.** Provide an overall description of the changes the state proposes for the extension of the demonstration. Specifically, include information on the expected impact these proposed program changes will have on populations covered by the demonstration and how it furthers the approved objectives and goals of the demonstration.

The Texas Health and Human Services Commission (HHSC) is submitting a “Fast Track” extension application to the Centers for Medicare & Medicaid Services (CMS) for an amendment to the Texas Healthcare Transformation Quality Improvement Program (THTQIP) waiver under section 1115 of the Social Security Act. The extension request is for 5 years, which will allow the 1115 waiver authority to run through 2027.

The requested extension will allow Texas continued flexibility to pursue the goals of the existing 1115 waiver. The extension will also create financial stability for Texas Medicaid providers, as HHSC works to transition the valuable work identified through Delivery System Reform Incentive Payment (DSRIP) innovations. The extension years as requested create a continuous demonstration period over 10 years, ending September 30, 2027. There are no substantial changes requested under this extension application, therefore, no substantive impact on populations covered by the demonstration.

Through this demonstration, the state aims to continue to:

- Expand risk-based managed care to new populations and services;
- Support the development and maintenance of a coordinated care delivery system;
- Improve outcomes while containing cost growth; and
- Transition to quality-based payment systems across managed care and providers.

- B. Expenditure Authorities.** List any proposed modifications, additions to, or removal of currently approved expenditure authorities. Indicate how each new expenditure authority is necessary to implement the proposed changes and also how each proposed change furthers the state’s intended goals and objectives for the requested extension period.

There are no proposed modifications to currently approved expenditure authorities.

- c. Waiver Authorities.** List any proposed modifications, additions to, or removal of currently approved waiver authorities. Indicate how each new waiver authority is necessary to implement the proposed changes and also how each proposed change furthers the state's intended goals and objectives for the requested extension period.

There are no proposed changes to currently approved waiver authorities.

- d. Eligibility.** List any proposed changes to the population(s) currently being served under the demonstration.

If the state is proposing to add populations, please refer to the list of Medicaid Eligibility Groups at: <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/1115/Downloads/List-of-Eligibility-Groups.pdf> when describing Medicaid State plan populations, and for an expansion eligibility group, please provide a plain language description of the group(s) that is sufficiently descriptive to explain to the public.

If the state is proposing to remove any demonstration populations, please include in the justification how the state intends to transition affected beneficiaries into other eligible coverage as outlined in the Special Terms and Conditions (STCs).

There are no proposed changes to currently approved eligibility.

- e. Benefits and Cost Sharing.** Describe any proposed changes to the benefits currently provided under the demonstration and any applicable cost sharing requirements. The justification should include any expected impact these changes will have on current and future demonstration enrollment.

There are no proposed changes to benefits and cost sharing.

- f. Delivery System.** Describe any proposed changes to the healthcare delivery system by which benefits will be provided to demonstration enrollees. The justification should include how the state intends a seamless transition for demonstration enrollees and any expected impact on current and future demonstration enrollment.

There are no proposed changes to the healthcare delivery system under the demonstration. Under the CMS approved DSRIP Transition Plan, HHSC is developing proposals for new programs and policies to sustain quality

improvement started under DSRIP and advance value in the Medicaid managed care program.

- G. Budget/Allotment Neutrality.** Describe any proposed changes to state demonstration financing (i.e., sources of state share) and/or any proposed changes to the overall approved budget/allotment neutrality methodology for determining federal expenditure limits (other than routine updates based on best estimate of federal rates of change in expenditures at the time of extension).

There are no proposed changes. The extended demonstration period continues current budget neutrality methodologies as illustrated in the STCs. A summary of our Budget Neutrality workbook is included as an attachment to this template.

- H. Evaluation.** Describe any proposed changes to the overall demonstration evaluation design, research questions or hypotheses being tested, data sources, statistical methods, and/or outcome measures. Justification should include how these changes furthers and does not substantially alter the currently approved goals and objectives for the demonstration.

The current CMS-approved 1115 evaluation design examines the three components of the THTQIP demonstration (DSRIP, UC Pool, MMC expansion), as well as the overall impact of the THTQIP demonstration (as measured by quality-based payment systems in Texas Medicaid and transformation of the health care system for the Medicaid/low-income population in Texas). The current evaluation design includes 5 evaluation questions and 13 hypotheses. The THTQIP demonstration waiver extension does not alter the overall goals and objectives of the evaluation; therefore, HHSC is not proposing changes to the approved evaluation questions. HHSC is also not proposing changes to hypotheses, data sources, statistical methods, and/or outcome measures for the evaluation of the UC Pool or components related to the overall impact of the THTQIP demonstration.

HHSC proposes changes be considered to further the DSRIP and MMC expansion components. A discussion of potential changes is included in APPENDIX C: Interim Evaluation. HHSC will submit a revision to the CMS-approved evaluation design incorporating these edits following approval of the THTQIP extension. HHSC does not anticipate that proposed adjustments will substantially alter the data sources or analytic methods used in the evaluation. The proposed changes to DSRIP and MMC expansion align with the current goals and objectives for the THTQIP demonstration.

- I. **Other.** Describe proposed changes to any other demonstration program feature that does not fit within the above program categories. Describe how these change(s) furthers the state's intended goals and objectives for the requested extension period.

Major deletions and edits have been foregone to avoid involvement of any complex policy area as noted in the CMCS Informational Bulletin dated July 24, 2015. This application seeks an extension of the current demonstration waiver. Once sections expire, amendments can be prepared to clean up the STCs as needed.

State Contact Person(s)

Please provide the contact information for the state's point of contact for this demonstration extension application.

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