



**Medicaid CHIP Data  
Analytics Unit Quarterly  
Report of Activities State  
Fiscal Year 2023,  
Quarter 3**

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**As Required by  
2022-23 General Appropriations Act,  
Senate Bill 1, 87th Legislature, Regular  
Session, 2021  
(Article II, HHSC, Rider 7)**

**Texas Health and Human Services  
Commission  
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**TEXAS**  
Health and Human  
Services

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# 1. Executive Summary

The 2022-23 General Appropriations Act, Senate Bill (SB) 1, 87th Legislature, Regular Session, 2021 (Article II, HHSC, Rider 7), directs the Health and Human Services Commission (HHSC) to submit a quarterly report on activities and findings of the Data Analysis Unit established pursuant to Government Code, §531.0082. In compliance with this rider, this report focuses on the quarterly activities, the status of major projects, and the findings of the Medicaid CHIP Data Analytics Unit (MCDA).

Highlights this quarter include:

- This quarter, MCDA continued partnering with the Performance Management and Analytics System (PMAS) teams within the Office of Data, Analytics, and Performance (DAP) and HHSC Information Technology (IT), to integrate and automate the data systems required to monitor provider network adequacy in a more efficient and holistic manner. To date, MCDA has built and updated multiple proof-of-concept data tables in Microsoft SQL Server, which will be used to calculate predefined provider related key measures. MCDA has also coordinated with IT to integrate disparate datasets, validate and profile data, and design a data model to support efficient network adequacy monitoring analysis. MCDA continued to adapt and document geoprocessing workflows and consolidate spatial geodatabases to prepare for enterprise architecture and data synchronization within a cross-team environment. MCDA is also working with a new Geographic Information Systems (GIS) Administrator to set up cloud environments to support GIS product development for provider network adequacy.
- While progressing on the Provider Network Adequacy PMAS initiative, MCDA continued to improve its processes to closely monitor and report on trends related to provider network adequacy. MCDA added a new deliverable to accompany the HHSC Medicaid and CHIP Services (MCS) 1115 Waiver Report that displays cumulative quarterly Managed Care Organization (MCO) compliance for all provider types to support long-term performance monitoring throughout the fiscal year. The first deliverable has been submitted and is now a part of the regular quarterly reporting workflow.
- In SFY23 Q3, 28 new anomalies related to the utilization rate or the amount paid were detected in the Service Utilization Dashboard data. On April 27, 2023, MCDA presented its highest priority anomaly findings to the Service

Utilization Workgroup, a committee of subject matter experts from across MCS, such as policy and program divisions, and other areas in HHSC, including Actuarial Analysis.

- In an ongoing effort to assist Managed Care Contracts and Oversight (MCCO) with the contract monitoring process, MCDA added a new deliverable, the Service Coordination Report, to the Extract, Transform, and Load (ETL) process. In addition, a new report using this data source is expected to be shared with MCS in early Q4.
- MCDA prepared bill analyses on dozens of Texas Senate and House bills that may impact the work MCDA performs to support MCS. MCDA provided fiscal estimates and data for various topics, including teleservices, STAR Health, genetic testing, mental health/substance abuse, women's health, provider networks, homelessness, managed care in Lieu of Other Services, autism, COVID-19, and others.

## 2. Introduction

The 2022-23 General Appropriations Act, Senate Bill (SB) 1, 87th Legislature, Regular Session, 2021 (Article II, HHSC, Rider 7), directs HHSC to “report to the Legislative Budget Board on a quarterly basis the activities and findings of the Data Analysis Unit” created by Government Code, §531.0082. The following report fulfills this requirement for the third quarter of State Fiscal Year 2023 (SFY23 Q3).

During SFY23 Q3, MCDA within the Office of Data, Analytics, and Performance (DAP) completed 35 projects supporting the direction of the Government Code to “...(1) improve contract management, (2) detect data trends, and (3) identify anomalies relating to service utilization, providers, payment methodologies, and compliance with requirements...” in the state's Medicaid and CHIP programs. The status of major projects and activities, along with findings, are described in Table 1, below, and include updates to projects related to three general categories: 1) Monitoring MCO Contract Compliance, 2) Tracking Service Utilization and Related Data, and 3) Enhancing Data Infrastructure.

MCDA collaborates closely with many units within the MCS division. At the most recent quarterly Service Utilization Workgroup meeting, where MCDA presents its findings of service utilization trends and anomalies, 37 participants attended. Units represented included the Medical Director’s Office, Policy and Program, Operations Management, Quality Assurance, and Utilization Review (UR). Several Actuarial Analysis staff also attended the Service Utilization Workgroup meeting.

In addition, Rider 7 directs that “...any anomalies identified related to service utilization, providers, payment methodologies, and compliance with the requirements in Medicaid and CHIP shall be reported to the Office of the Inspector General (OIG) for further review.” MCDA and the OIG communicate monthly to exchange updates on respective analyses.

### 3. Routine Projects

**Table 1. State Fiscal Year 2023 Quarter 3 Routine Project Updates**

Project Name	Project Overview	Frequency of Update	Project Update
<p>Monitoring MCO Contract Compliance - Extract, Transform, and Load (ETL) Automation: Contract Deliverables</p>	<p>The goal of the MCO Contract Compliance ETL process is to redirect Managed Care Contracts and Oversight (MCCO) staff resources that would otherwise have been spent manually processing thousands of reports MCOs formerly submitted in Excel format. Per Uniform Managed Care Manual (UMCM) chapters 5.24.1 through 5.24.7, MCDA extracts MCO self-reported data referencing Member/Provider Complaints, Member Hotlines, Member Appeals, Claims Adjudication, and Out-of-network Utilization, Provider Terminations, and Network Adequacy.</p>	<p>Ongoing</p>	<p>In SFY23 Q3, MCDA provided MCCO staff with complete data extracts for quality review of two deliverables (network adequacy and provider termination) by pulling data directly from the TexConnect database. MCDA also extracted data for Member/Provider Complaints, Member Hotlines, Member Appeals, Claims Adjudication, and Out-of-network Utilization to prepare visualizations for use by MCCO.</p> <p>In SFY23 Q3, MCDA was requested to add two new deliverables to the ETL process: UMCM 5.24.10 – Service Coordination Report, and a revised 5.13.4 – MCO Quarterly Pharmacy Report. ETL were designed, tested, and moved to production for 5.24.10, while ETL for 5.13.4 is still being designed and is expected to be in production by early Q4.</p>

Project Name	Project Overview	Frequency of Update	Project Update
Monitoring MCO Contract Compliance - ETL Automation: Personal Care Services (PCS) Authorization	In SFY2022 Q1, MCDA staff began assisting STAR+PLUS and STAR KIDS policy staff in automating report production for MCO self-reported data submitted per UMCM chapters 5.4.5.3 and 5.4.5.6. The deliverables referenced in these chapters collect information about number of members authorized to receive Personal Care Services (PCS) and number of members who received those services, as well as the number of units authorized and received.	Ongoing	In SFY23 Q3, MCDA staff continued to work with STAR+PLUS and STAR KIDS policy staff in redesigning the deliverable to provide for quality review of the submissions and to improve data analysis between MCOs.
MCO Contract Compliance – Quality Performance Report (QPR) Dashboards	The goal of the MCDA compliance dashboards is to enhance contract oversight by trending MCOs’ compliance with standards required by MCO contracts and the UMCM, such as claims adjudication timeliness and hotline call pick-up rate standards.	Quarterly	In SFY23 Q3, the QPR compliance dashboards were updated and revised to include all new data points through SFY23 Q2.
MCO Contract Compliance - Complaints Dashboards	As a result of findings from the report required by Rider 61 of the 2018-2019 General Appropriations Act, SB 1, 85th Legislature, Regular Session, 2017 (Article II, HHSC), on Medicaid Managed Care Oversight, MCS initiated a project to revise the managed care member complaints process to streamline intake and tracking, more effectively leverage complaints data to identify risks, and ultimately improve quality of services. HB 4533, 86th Legislature, Regular Session, added related requirements, including making aggregated data available to the legislature and the public.	Quarterly	In SFY23 Q3, MCDA compiled the SFY23 Q1 complaints data and refreshed the dashboards for the <a href="#">reports published on the HHSC website</a> .

Project Name	Project Overview	Frequency of Update	Project Update
Provider Network Adequacy - Time and Distance Reporting	HHSC requires MCO provider networks to comply with distance and travel time standards in accordance with managed care contracts. MCDA measures geodistance and travel time between clients and providers using geospatial mapping analysis and displays results in a Tableau dashboard, which presents data on compliance with HHSC distance performance standards by MCO, county, and provider type.	Quarterly	The SFY23 Q3 report, in its expanded form, was completed and delivered within 2 weeks. The first of these deliverables has been submitted and its production is now part of the regular quarterly reporting workflow. MCDA is also working closely with MCCO to research the use of taxonomy codes to make better predictions about which providers perform particular services to more accurately reflect the networks.
Provider Network Adequacy - PMAS	MCDA is partnering with the PMAS teams within DAP and HHSC IT, to further integrate and automate the data systems required to monitor provider network adequacy in a more holistic manner.	Ongoing	In SFY23 Q3, MCDA continued to work extensively with PMAS Data Engineering Team and other DAP teams on integrating disparate provider datasets, data validation and profiling, and designing a data model to support efficient network adequacy monitoring analysis. MCDA continued adapting and documenting geoprocessing workflows and consolidating spatial databases to prepare for enterprise architecture and data synchronization within a cross-team environment. MCDA is also working with a new GIS Administrator to set up cloud environments to support GIS product development for PNA.



Project Name	Project Overview	Frequency of Update	Project Update
Prior Authorization Data Collection	In SFY22 Q4, HHSC, in collaboration with Texas Medicaid & Healthcare Partnership (TMHP) completed development of the project to finalize variables to include in the new Member-Level Data Warehouse. Managed Care Utilization Review (MCUR) staff have continued to work with the MCOs to assist them in successfully submitting test data to the TMHP Data Warehouse.	Ongoing	In SFY23 Q3, MCDA continues to consult with MCUR staff regarding prior authorization data quality, access and querying the data in Oracle, developing a reporting strategy, and development of an anomaly detection dashboard.
Service Utilization Dashboard	MCDA creates and maintains a comprehensive service utilization dashboard displaying healthcare utilization by multiple service types, broken out by Medicaid and CHIP programs, MCOs, SDA, age groups, race/ethnicity, and gender. The dashboard features multiple measures, including amounts paid, utilization rates, and number of claims.	Quarterly	In SFY23 Q3, the Service Utilization Dashboard was updated to include finalized data through SFY22 Q3 and preliminary data through SFY23 Q1.
Ongoing Trend and Anomaly Detection	MCDA presents its highest priority anomaly findings from the Service Utilization Dashboard to the Service Utilization Workgroup, a committee of subject matter experts from across MCS, such as policy and program divisions, and other areas in HHSC, including Actuarial Analysis. The MDCA team asks the workgroup members to offer ideas for what is driving the anomaly and to provide direction on next steps. Anomalies may continue to be monitored past the quarter in which they are identified and may be referred to MCS leadership or OIG for further review.	Quarterly	In SFY23 Q3, new anomalies related to the utilization rate per 1,000 members or the amount paid per client were detected in the Service Utilization Dashboard data and shared with the Service Utilization Workgroup. Observations about the impact of the public health emergency (PHE) on services since then were based on final data through SFY22 Q3 (May 2022) and preliminary data from June 2022 – November 2022.

Project Name	Project Overview	Frequency of Update	Project Update
COVID-19 Non-risk Payment Expenditures	MCDA conducted an analysis to estimate the non-risk payment expenditures for COVID-19 testing/diagnostic services as well as inpatient hospital treatment. MCDA has built a dashboard that identifies any abnormal billing practices for MCOs that are receiving non-risk payments for testing/diagnostic services.	Monthly	In SFY23 Q3, MCDA updated this dashboard to include data up to May 2023's reporting time period. MCDA also fulfilled a request by MCS Operations division to calculate how much HHSC has paid out in non-risk payments for COVID-19 vaccinations, medical treatment, and testing/diagnostic services.
Physical, Occupational, and Speech Therapy Monitoring	MCDA continues to closely monitor physical, occupational, and speech therapy utilization rates in compliance with Senate Bill 1, 87th Legislature, Regular Session, 2021 (Article II, HHSC, Rider 10).	Biannual	In SFY23 Q3, MCDA completed analyses on client service utilization, provider network adequacy, and services provided to clients while on wait lists, for inclusion in the June 2023 report. The most recently published <a href="#">Biannual Therapy Access Monitoring Report is for December 2022</a> .
Behavioral Health - Psychotropic Medications for Children in Foster Care	Since 2004, HHSC has reported on the utilization of psychotropic medications among children in foster care, in the Use of Psychotropic Medications for Children in Texas Foster Care annual report.	Annual	In SFY23 Q3, the <a href="#">Update on the Use of Psychotropic Medications for Children in Texas Foster Care: State Fiscal Years 2002-2021 Data Report</a> was published and posted on the HHSC website.
Behavioral Health - Psychotropic Medications for Interstate Compact for Placement of Children (ICPC)	MCDA provides a quarterly report to Medicaid Vendor Drug on psychotropic medications among Interstate Compact for Placement of Children (ICPC). ICPC children are foster children from other states who are sent to Texas to live with a relative and are insured by Texas Medicaid per the ICPC agreement. The report examines similar topics of prescription usage as other MCDA psychotropic monitoring reports but on a quarterly, rather than annual timeframe.	Quarterly	In SFY23 Q3, MCDA completed the Psychotropic Medications for Interstate Compact for Placement of Children (ICPC) report with data for SFY23 Q2.

Project Name	Project Overview	Frequency of Update	Project Update
Autism Applied Behavior Analysis	The Medicaid Autism Services Applied Behavior Analysis (ABA) benefit went live Feb. 1, 2022, in compliance with Rider 28 (SB 1, 87 <sup>th</sup> Legislature, Regular Session, 2021 (Article II, HHSC)). MCDA provides the Autism benefit work group and the MCOs a bi-weekly update on licensed behavior analysts (LBAs) that have applied for enrollment and preliminary assessments to assist with recruitment and outreach.	Bi-weekly	In SFY23 Q3, MCDA provided biweekly analyses to the Medicaid Benefits Policy staff for Readiness Governance presentations.
Client Enrollment and Eligibility Reporting	MCDA developed the monthly Medicaid and CHIP Enrollment and Eligibility Report to help investigate variations in client eligibility and enrollment data. The data in this report alerts the team to fluctuations in enrollment or Medicaid program rollouts which might impact service utilization. Enrollment data also provides the denominators used in utilization rates, which normalizes the rates to aid in direct comparisons between, for example, MCOs. The one-page enrollment report is distributed widely to MCS and other HHSC staff.	Monthly	The last Medicaid CHIP Enrollment and Eligibility Report released in SFY23 Q3 was compiled in May 2023 and included data as of October 2022. The Tableau dashboard version of the eligibility and enrollment report was also updated accordingly.
Enhancing Data Marts	The Analytical Data Store (ADS) is a 'Best Picture' view of the claims and encounter data, meaning that it contains only the most current version of a transaction. ADS offers a cohesive blend of managed care and fee-for-service medical and pharmacy data, allowing a holistic view of a provider or member at the time a service took place. The ADS has become the preferred source for blended claims/encounters data and is accessible to MCDA and other DAP teams via the Data Analytics Platform.	Ongoing	In SFY23 Q3, MDCA continued to work with TMHP to enhance ADS with additional variables which will improve the accuracy and consistency of analyses. This quarter, TMHP continued incorporating long-term care (LTC) claims into ADS, with a projected completion date of June 2023.

Project Name	Project Overview	Frequency of Update	Project Update
Texas Medicaid and CHIP COVID-19 and Flu Utilization Data	MCDA prepares data for System Forecasting to estimate future expenditures of COVID-19 and possible cost offsets with lower flu diagnoses. MCDA also provides data on utilization and expenditures for COVID-19 and flu testing and diagnosis.	Quarterly	In SFY23 Q3, MCDA delivered the report with data through November 2022 with additional breakouts for the Healthy Texas Women (HTW) program.
Quarterly 1115 Transformation Waiver Report	Section 1115 of the Social Security Act requires that federal regulations specify requirements for demonstration monitoring and evaluation. Title 42 CFR 431.424 outlines general evaluation requirements and evaluation design components such as hypotheses, data sources, and comparison strategies.	Quarterly	In SFY23 Q3, MCDA provided enrollment, provider counts, provider terminations, Member/Provider Complaints, Member Hotlines, Member Appeals, Claims Adjudication and Out-of-network Utilization data for the SFY23 Q1 report.
88th Legislature, Regular Session, 2023	Every two years, the Texas Legislature convenes and hundreds of house and senate bills are proposed that could affect HHSC, if passed. MCDA analyzes, pulls data, and calculates fiscal impacts for some bills.	Biennial	MCDA prepared bill analyses and provided fiscal estimates and data for topics such as teleservices, STAR Health, genetic testing, mental health/substance abuse, women's health, provider networks, homelessness, managed care In Lieu of Other Services, autism, COVID-19, and others.

## 4. Goals for Next Quarter

In SFY23 Q4, MCDA will build on the work it is conducting on MCS key initiatives and other projects, including the following:

### **Provider Network Adequacy**

MCDA will continue its partnership with MCS and the PMAS teams to further integrate and automate the data systems required to monitor provider network adequacy in a more efficient and holistic manner, as approved by the HHS Data Governance and Performance Management (DGPM) Executive Steering Committee and Council. Next quarter, MCDA will continue to participate in an Agile process with IT to build a comprehensive provider network adequacy data mart and continue to document current processes and requirements for later use. MCDA also plans to start the design process for an interactive web-based application tool that is map-centric, which will allow users to visualize the changes in MCO compliance over time and explore results at more granular geographic scales than are currently reported.

### **Analytical Data Store (ADS)**

In SFY23 Q4, MCDA and TMHP will continue its collaborative work on enhancements to the ADS. Upcoming upgrades include creating a best picture representation of long-term care (LTC) claims in ADS, adding other high value long-term care data elements to the data model, and developing a method which allows data analysts to easily report across ADS and LTC-ADS data models.

### **Enhancing Data Infrastructure**

Given the breadth of the MCDA dashboard library, it is a resource-intensive endeavor to continuously carry out the ongoing updates necessary to keep the data as current as possible. To increase the efficiency of this process and increase the staff resources available to instead conduct more in-depth analyses, MCDA is investigating the feasibility of using Tableau Python Server (TabPy) to automate these dataset refreshes. TabPy is an external server implementation which allows the execution of Python scripts on Tableau.

## **Managed Care Contract Compliance**

In SFY23 Q4, MCDA will add a revised MCO Quarterly Pharmacy Report to the ETL process.

## List of Acronyms

Acronym	Full Name
ABA	Applied Behavior Analysis
ADS	Analytical Data Store
CHIP	Children’s Health Insurance Program
COVID-19	Coronavirus Disease of 2019
DAP	Office of Data, Analytics, and Performance
DFPS	Texas Department of Family and Protective Services
DGPM	Data Governance and Performance Management
ETL	Extract, Transform, and Load
GIS	Geographic Information System
HB	House Bill
HHS	Health and Human Services
HHSC	Health and Human Services Commission
HTW	Healthy Texas Women
IT	Information Technology
LBA	Licensed Behavioral Analyst
LTC	Long-term Care
MCCO	Managed Care Contracts and Oversight
MCDA	Medicaid CHIP Data Analytics
MCO	Managed Care Organization
MCS	Medicaid and CHIP Services
MTP	Medical Transportation Program
OIG	Office of Inspector General
PCS	Personal Care Services
PCP	Primary Care Providers
PHE	Public Health Emergency
PMAS	Performance Management and Analytics System
QPR	Quality Performance Report
SB	Senate Bill
SDA	Service Delivery Area
SFY	State Fiscal Year
TabPy	Tableau Python Server
TMHP	Texas Medicaid & Healthcare Partnership
UR	Utilization Review