

CPPP Supports SB 1475 by Senator Garcia: Medicaid Managed Care Consumer Support System

Overview of SB 1475

The Center for Public Policies (CPPP) appreciates the opportunity to express our support for SB 1475.

CPPP is an independent public policy organization established in 1985, that uses data and analysis to advocate for solutions that enable Texans of all backgrounds to reach their full potential. We believe in a Texas that offers everyone the chance to compete and succeed in life. Improving access to health care for Texans has been at the core of our mission and activities since our founding.

Over 3.5 million of Texas' 4 million Medicaid clients are enrolled in an HMO, and more will be added under SB 7 from the 83rd Legislature. For these Texans in Medicaid Managed Care, barriers to care may involve difficulty locating health care providers, but also can result from technology glitches with the Social Security Administration, HHSC eligibility and enrollment systems, and issues with providers of medical and community care services.

There has been no update to the original 1995 state law that created of the small Medicaid Managed Care helpline that is part of HHSC's Ombudsman Division. This bill gives clear direction to HHSC to begin to scale up resources to support Medicaid Managed Care consumers, and to create a new local component that is especially needed to support the vulnerable populations being added to Medicaid Managed Care: nursing home residents, individuals with intellectual and developmental disabilities, seniors with dual Medicaid-Medicare coverage, and medically fragile children.

Enhanced coordination and a regional staffing component will allow the HHSC Ombudsman's Division to meet more intensive support needs of dual eligibles including nursing home residents, individuals with intellectual and developmental disabilities, and children with special health care needs in Medicaid Managed Care.

The consumer support system is a required waiver element that Texas has agreed to under the Special Terms and Conditions (20.e.) of the Texas Healthcare Transformation and Quality Improvement Program 1115 Waiver.

Goals of SB 1475 Directs HHSC to establish a Medicaid managed care consumer support system.

- **Updates 1995 state law** to direct HHSC to ensure that consumer support systems can promptly resolve issues delaying access to care, and thereby reduce the need for managed care organization internal member appeals and formal Medicaid fair hearings.
- Empowers Medicaid Managed Care beneficiaries to advocate for themselves to the greatest extent possible.
- To **coordinate all existing consumer support functions at HHSC** to eliminate "silos" and insure a "no wrong door" consumer support system that serves enrollees in all the STAR Medicaid Managed Care programs, as well as CHIP.
- To **add a local representative component to HHSC's current centralized consumer supports** for Medicaid Managed Care beneficiaries, so that the vulnerable populations being added to Medicaid Managed Care—nursing home residents, individuals with intellectual and developmental disabilities, seniors with dual Medicaid-Medicare coverage, and medically fragile children—will be able to access assistance in their region from staff with knowledge of the local medical and community care networks.
- To **enhance coordination with community-based stakeholders** who can provide assistance to Texas Medicaid beneficiaries.
- To **provide HHSC management and the public with timely information** on Medicaid Managed Care health plan performance, that will help the agency monitor contract compliance and ensure ongoing quality improvement.

- To allow HHSC to promptly identify and resolve recurring or systemic issues that affect access to care, including issues that may arise from interfaces with federal agencies, eligibility systems, and other causes not directly related to Medicaid Managed Care.

Background:

Texas Medicaid Managed Care was first piloted in four counties in 1994. The first Medicaid Managed Care Consumer Assistance Program was created in 1995 by the 74th Legislature (SB 601; Govt. code 531.023), but not implemented until January 2001. It was operated as STARLink, an independent non-profit based in Austin. STARLink began serving Medicaid managed care enrollees in January 2001, providing telephone assistance to Texans enrolled in Medicaid Managed Care and experiencing barriers to care.

Today, nearly all of Texas’ over 4 million Medicaid beneficiaries are enrolled in Medicaid Managed Care—or soon will be. However, the staffing for systems to help Medicaid Managed Care enrollees who encounter barriers to care has not kept up with growth, and SB 1475 seeks to modernize the 20-year old consumer support language in Texas law.

History of Texas Medicaid Managed Care consumer support law and services:

STARLink had two full-time advocates answering the statewide toll-free number during the first year

- By May 2003, STARLINK had a staff of six (4 advocates, 1 director, 1 administrative assistant).
 - At that time about 912,000 Texas Medicaid clients per month were enrolled in STAR, plus another 60,000 in STAR+PLUS.
- In 2007, the program was brought into the Health and Human Services Commission Ombudsman’s Division, where it exists today as the Medicaid Managed Care Helpline **with eight advocates, a team lead and manager.**
- **In June 2014** (Latest HHSC posted data), 3.5 million Texans were enrolled in Medicaid Managed Care plans. That number has grown with even more of Texas 4 million enrollees now served in Medicaid Managed Care plans.

Since June 2014:

- Individuals with intellectual and Services provided through the Community Based Alternatives (CBA) program have been moved into the STAR+PLUS managed Home and Community Based Services program (September 1, 2014).
- Day Activity Health Services (DAHS) and Primary Home Care (PHC) services are now provided through the STAR+PLUS health plans (September 1, 2014).
- People with intellectual and developmental disabilities get their basic health services (acute care) through a STAR+PLUS health plan (September 1, 2014).
- And, people living in nursing facilities get their full Medicaid coverage, including NF services, through a STAR+PLUS health plan since March 1, 2015.
- **Fiscal Note:** A contingency rider for SB 1475 is included in the Senate Finance Committee adopted documents, allocating \$1 million GR/\$2 million All Funds for enhanced Medicaid Managed Care consumer support.

Context: The Texas Sunset Commission reported that in the 2013 fiscal year, HHSC had contracts worth \$10.2 billion with 19 HMOs and two dental maintenance organizations. Since then, Medicaid enrollees with intellectual and developmental disabilities services have been shifted into HMOs, and Medicaid Nursing Home payments have been moved into HMO premiums, so updated totals will be higher. HHSC does not currently report total Texas Medicaid Managed Care profits, but did report FY 2014 STAR+PLUS profits at over \$180 million.

In closing, CPPP supports this important effort to improve the quality of care for Texas’ most vulnerable citizens. Any questions may be directed to Anne Dunkelberg, Associate Director and Health and Wellness Program Director, Center for Public Policy Priorities, (dunkelberg@cphp.org); 7020 Easy Wind Drive #200 - Austin, Texas 78752.

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