

Texas Update - April 2007

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<http://votervoice.net/groups/tachc/?registeronly=true>

FQHC/RHC After Hours Care Bill Passes the House!

HB 1579 by Representative Ryan Guillen passed the House chamber on April 26, 2007. This bill requires FQHCs and RHCs to be reimbursed for after hours care they provide to Medicaid patients under any form of Medicaid managed care - this includes the Primary Care Case Management program, which will help expand access to care for Medicaid patients in rural areas. Thanks to Representative Guillen and his staff for working so hard to get the bill through the process! Thanks to all of you, also, who sent messages in to your Representatives to ask for their support on this bill. According to our Voter Voice report, there were 49 messages sent to legislators on this issue in the past two days. Now, HB 1579 will travel to the Senate, where Senator Deuell's companion bill, SB 569, has passed out of the Health and Human Services Committee. Stay tuned - and watch for more action alerts - as SB 569 and HB 1579 are paired and we work toward final passage in the Senate.

Budget Conference Committee Begins Final State Funding Deliberations

Recently, both the House and the Senate passed their versions of the state budget, which naturally do not agree in all aspects. House and Senate leadership have now appointed five members each to a conference committee to work toward an agreement on funding decisions. Here are the conferees:

House

Chair, Warren Chisum (R-Pampa)
Ryan Guillen (D-San Diego)
Sylvester Turner (D-Houston)
Lois Kolkhorst (R-Brenham)
Dan Gattis (R-Georgetown)

Senate

Chair, Steve Ogden (R-Bryan)
Judith Zaffirini (D-Laredo)
John Whitmire (D-Houston)
Robert Duncan (R-Lubbock)
Tommy Williams (R-The Woodlands)

Following their initial April 26 hearing, this group of ten will deliberate on the budget over the coming weeks and come to agreement before final passage in both chambers. There are a number of key provisions for FQHCs, many of which were detailed in the last update. We'll keep you posted on where things stand, and let you know when we need to step up the advocacy push from our more than 700 registered advocates!

Update on Frew vs. Hawkins

Since the last update, there have been significant developments in Frew vs. Hawkins, the lawsuit regarding Texas Health Steps screening for Medicaid children. On April 9, Federal Judge William Wayne Justice was scheduled to hear the case and determine a final ruling against the state. But, working until the final hours before the court date, lawyers for the plaintiffs and state leadership negotiated a settlement agreement that includes:

- 1) \$203 million to increase by 25% the pool of funding for physician services
- 2) \$50 million for targeted rate increases for physician subspecialists
- 3) \$258.7 million to fund a 50% increase in dental reimbursement rates
- 4) \$150 million to implement "strategic medical and dental initiatives." This part of the agreement is still being negotiated, but lawmakers indicate that the monies will be used to fund such efforts as mobile dental clinics in underserved communities, loan forgiveness programs for physicians and dentists who agree to practice in underserved areas, and/or to improve funding for physician training and graduate medical education.
- 5) \$45 million to fund outreach, family and physician education, transportation initiatives, a toll free hotline, and other components of the Corrective Action Plans agreed to in 1995.

Significant rate increases are intended to stem the tide of doctors and dentists who are no longer accepting new Medicaid patients. FQHCs will certainly have a role in providing this needed screening. There will be opportunities to work with the state to get needed care to hard to reach Medicaid children, including migrant kids.

How exactly to fund the Frew settlement will be an important topic of discussion for the budget conference committee. Currently, the Senate has provided for \$700 million in all funds to pay for the settlement provisions, while the House passed its budget before the settlement took place. We'll be watching how this develops...

SB 10 - Texas Medicaid Reform

Another key budget issue, as well as an issue for both House and Senate health policy leaders, is the passage of SB 10, a comprehensive Medicaid reform bill that has passed the Senate and is now being deliberated by the House Appropriations committee. SB 10 gives HHSC the authority to apply for a waiver to the Federal Center for Medicare and Medicaid Services (CMS) to create new initiatives in the Texas Medicaid program including incentives for health behaviors, cost sharing, tailored benefit packages and the creation of a Health Opportunity Account using hospital Disproportionate Share (DSH) and Upper Payment Limit (UPL) funds. Before passage in the Senate, Senator Deuell carried a floor amendment that protected FQHC services and reimbursement structure under any waiver or Medicaid reform project developed in the state. The amendment mirrors the federal Deal amendment that protected FQHCs in the Federal Deficit Reduction Act. *Thank you to Senator Deuell for carrying that key provision!*

As SB 10 works through the House, FQHCs aim to protect the Deuell amendment while at the same time introducing a new provision to include FQHCs as participants in the

Health Opportunity Pool. If you'd like more information on how Health Opportunity Pools, or Low-Income Pools, work in Medicaid, click [here](#) to read HHSC's white paper on the subject. As far as FQHCs are concerned, in a nutshell, is that FQHC uncompensated care can potentially be put in the mix to be calculated for further federal Medicaid match dollars. As a result, FQHCs *could* potentially receive additional funds to care for more uninsured.

All of the state's Medicaid reform proposals are subject to Federal approval. We'll keep you abreast of developments through the end of session and throughout the waiver proposal development process.

CHIP Restoration Bill Passes House - Waiting for Action in the Senate

Thanks again to community health center advocates! Fifty-one messages responding to our CHIP action alerts joined many other children's health advocates across the state. HB 109, Representative Turner's CHIP restoration bill, passed the House on April 4, 2007 with key provisions intact including twelve month continuous eligibility and the deduction of child care expenses when calculating income eligibility. While an asset test remains, compromise language that sets asset levels where they make sense for working families. On the floor, Representative Flynn (R-Canton) added an amendment which requires HHSC to verify whether a child is a United States citizen or a legal immigrant child. As families already had to provide this documentations, child health advocates feel it will not result in any major changes but will be watching the provision's implementation.

Currently HB 109 has been referred to Senate Finance but has not yet been set for a hearing. Senators' positions on the bill are unclear, although there is strong opposition to twelve month eligibility for CHIP in this chamber. The time is now to encourage Senate leaders to bring HB 109 up for a hearing and ensure that the CHIP restoration bill is sent to the Governor. Keep an eye out for an upcoming action alert on this issue.

At the same time, hopes for twelve month eligibility for Children's Medicaid, another key policy initiative for the Texas CHIP Coalition and the Insure Texas Kids Campaign (both of which TACHC is a member), remain deflated given the \$284 million general revenue fiscal note. Only Senator Judith Zaffirini (D-Laredo) and Representative Elliott Naishtat (D-Austin) have introduced legislation calling for this provision for Medicaid children. There could be an opportunity to use the momentum of the CHIP legislation to make a significant process improvement for children's Medicaid in a way to offset the issue of inequitable treatment of Medicaid children without a large fiscal note. Read the attached email from Anne Dunkelberg of the Center for Public Policy Priorities to learn more about Rep. Naishtat's HB 740 which could address this issue along with the problems in the new eligibility system.

HIPAA's National Provider Identifier (NPI) implementation is May 23, 2007!

May 23 is just around the corner. Do all of you have your National Provider Identifier numbers lined up and ready to go? See an update below from TACHC's associate general counsel on how to make sure your center is prepared:

- By May 23, 2007 you should have NPI numbers for your Center, your providers and your "subparts" such as your pharmacies. In general, when you're evaluating whether other divisions of your Center are "subparts" and therefore need to get an NPI number the following applies. Subparts are not separate legal entities from the Center, but are often separately licensed/certified by the state or have unique identifiers when billing. If a part of the Center has a different taxonomy, it should get a separate NPI number from the Center. If a division of the Center conducts any HIPAA standard transactions apart from the Center, it must have a unique NPI number. The preamble to the rule in 45 CFR Part 162 notes that a subpart is any division of the Center that would have an NPI number to provide and bill for services on its own if it were a separate legal entity from the Center. Use these parameters to assess each of the Center's divisions or departments. When in doubt, get the NPI number for a division so you don't get claims denied in the future.
- Once you get your NPI numbers from CMS, contact the folks that configure your CMS 1500 form so it includes places to input both TPI and NPI numbers. You will need to fill in both TPI and NPI numbers unless and until otherwise notified.
- Be sure to register your NPI numbers with the various managed care organizations you work with in your area, from TMHP to HMOs like Superior, Amerigroup, Blue Cross Blue Shield and the like. You will most likely need to give them both your Center (or site) NPI and your provider NPI numbers. Look on their websites and/or contact your provider representative to have questions on their process answered.
- See www.cms.hhs.gov/NationalProvIdentStand/ for more NPI information from CMS.

Registry Link for New Advocates

Be sure to forward the Texas updates and action alerts to your colleagues not yet signed up as community health center advocates. Our action alerts are garnering about a 5% response rate - we can do much better! You can start by signing up more people into our advocacy system. New advocates link here:

<http://votervoice.net/groups/tachc/?registeronly=true>