

Texas Update – February 2006

A late Happy Valentine's Day to all of you from TACHC. Here is some Texas healthcare news that you may find useful...

PCCM – Some good news and some bad news

First, the bad news. As you know, a provision passed during the regular session in SB 1188 requiring managed care organizations to reimburse FQHCs for all after hours and weekend care. This provision was included in HMO contracts and will go into effect September 2006. There was question at HHSC, however, whether this provision applies in PCCM areas. After several meetings and phone calls between HHSC and TACHC, along with relevant letters of legislative intent from provision authors Representative Richard Raymond and Senator Bob Deuell, HHSC legal services has determined that this provision does *not* apply to PCCM, despite the fact that the HHSC website defines PCCM as a form of managed care. TACHC has requested a meeting with HHSC Executive Commissioner Albert Hawkins to address the issue. We will keep you posted on the progress...

Now, the good news. For a limited time only, from February 6- March 31, providers who have been selected as a PCCM Medicaid client's new primary care provider will be authorized to provide services *prior* to the effective date of the requested change. Prior to service provision, providers will need to verify the client's new PCP on TMHP's online Primary Care Provider Change List. TMHP made this change after being inundated with requests for administrative referrals. So, through March 31, **This change means that as soon as a client changes PCPs, the new PCP can provide services without a referral from the old PCP and without fear of denied claims, through March 31.** While this does not get us where we hoped to be with the SB 1188 provision, it is certainly an improvement. Click the link below to get to the TMHP announcement.

<http://www.tmhp.com/txtlstvw.aspx?LstID=a2bd0cd4-5329-4a86-aacd-3e3f91f2c232>

Federal Deficit Reduction Act (DRA) – Medicaid Changes

As NACHC and others have reported, many Medicaid policy changes passed at the Federal level earlier this year. Several mandatory and optional provisions promise to change the face of Medicaid for clients and providers alike.

Citizenship Verification –

Beginning July 1, 2006, all citizens applying for Medicaid must submit passports, naturalization papers, or birth certificates and other proof of identity to prove that they are citizens. Current beneficiaries are subject to the same requirement the first time their eligibility is redetermined after July 1, 2006.

As NACHC reported in the February 21 hotline, concern about this provision extends beyond the fact that it is one more hurdle in front of families applying for benefits. There

is concern that elderly people, Katrina victims, and others may not have access to these records. There will be efforts at the state level to ensure that benefits are not unnecessarily delayed while applicants look for proper identification. We will keep you updated as to how this new requirement will be implemented in Texas.

Medicaid Cost Sharing –

Several provisions give states much more freedom to make changes to their Medicaid programs. Of immediate importance in Texas is the authority to impose copayments and premiums on Medicaid beneficiaries. Texas law already requires HHSC to implement cost-sharing in Medicaid as soon as the federal authority exists, which it now does (Human Resources Code §32.064). Indeed, implementation of cost-sharing in Medicaid will likely take effect **before** the next legislative session. We may be calling on all of you in the coming months for advocacy as these changes occur at the state level. We will keep you informed how the cost-sharing will be implemented as we know more.

Medicaid Access Project

In the meantime, the state is advancing on the Medicaid Access Project which aims to implement permanent Medicaid cards that can store eligibility and identity information that can replace the current paper 3087 forms. The new system will allow providers to electronically verify eligibility in a process that will be much more seamless for both patients and providers. Patients will no longer have to worry about receiving a new Medicaid card every month, and the Medicaid agency will no longer have to do monthly mailings. The volunteer pilot program for this project is currently operating in Travis, Dallas, Cameron, and Hidalgo counties. We will keep you apprised of how this program will roll out state wide over the coming months.

February's a short month – short update! More in March....