

Texas Update - May 2007

The Legislative Session is Over!!

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

Legislative Highlights

After intense political maneuvering that involved a threat to oust the current Speaker of the House of Representatives, the 80th Texas legislature finally adjourned at 11:59 pm on Monday May 28. Here are some of the highlights from the session relevant to community health centers. This list will hit the highlights, but keep an eye out for more detailed policy papers on key issues in the coming months. Also, a detailed Legislative Update will be posted on the TACHC website by June 4. Be sure to check back in to www.tachc.org for more information and copies of relevant budget riders.

HB 109 - Children's Health Insurance Program Restoration: PASSED!!

Thanks to all the advocates out there who sent messages to their elected officials asking for the CHIP program to be restored. After a lengthy hold-up in the Senate related to the 12 months continuous eligibility issue, HB 109 passed both chambers with compromise language that requires an administrative income review for families between 185% and 200% FPL. The policies set forth in HB 109 may allow as many as 260,000 to be restored to the CHIP rolls.

SB 10 - Medicaid Reform

The Federal Deficit Reduction Act (DRA) gave states unprecedented flexibility to make changes to their Medicaid program. Texas is following the example of many other states by authorizing the Health and Human Services Commission (HHSC) to apply for an 1115 waiver to the Center for Medicaid and Medicare Services (CMS) to implement many new changes to the Texas Medicaid program. The funding strategy to pay for the reforms will particularly impact hospitals because the bill creates a Health Opportunity Pool (HOP) that uses Disproportionate Share Hospital (DSH) and Upper Payment Limit (UPL) Medicaid funding streams, traditionally used to reimburse hospitals for uncompensated care, to create programs intended to increase the rate of health coverage in the state.

The danger with any 1115 Medicaid waiver is that the state can elect to waive the prospective payment system for health centers. But thanks to Senator Bob Deuell (R-Greenville), Texas FQHCs can rest easy. Senator Deuell secured an amendment to SB 10 on behalf of health centers that ensures that FQHC and RHC services and payment structure are protected under any Medicaid waiver for which the state may apply. Senator Deuell's language models the Deal amendment to the DRA which preserved

FQHC services and payment structure under a section related to tailored benefit packages. The Deuell amendment is stronger because it will apply to any Texas Medicaid reform waiver provision.

SB 10 authorizes a number of reforms such as pilot programs to promote healthy lifestyles, tailored benefit packages, premium payment assistance, multiple share programs, and cost-sharing for ER use. Most of these reforms are subject to CMS approval, however, and even SB 10 stipulates that some provisions cannot go into effect before September 1, 2009 - *after* the next legislative session. TACHC will be working closely with the state in the coming months to ensure that health centers play a key role as Medicaid reforms take shape. And keep an eye out for a detailed policy paper from TACHC on Texas Medicaid reform and its impact on health centers.....

Family Planning and Women's Health

The legislature addressed several issues on this topic both in bills and provisions tacked on to the budget.

- The budget rider that directs DSHS to allocate up to \$10 million in family planning funds to FQHCs was revised to say that the provision shall be implemented only to the extent there is not an "adverse effect" on the number served, particularly in counties where no FQHC is available.
- A new rider was included that directs DSHS to use Title V, X, and XX money to cover services not covered by the Women's Health Program (WHP) for WHP eligible women. The rider allows Title funds to be used for outreach.
- Another new rider directs HHSC to reimburse health centers for **up to three visits per client per year** in the Women's Health Program. This rider applies to regular Medicaid family planning in addition to WHP. As the WHP is a Medicaid waiver program, HHSC will have to request approval from CMS to implement this.
- A separate provision in SB 10 will significantly expand options for low-income women who have been diagnosed with breast or cervical cancer through an expansion of the Breast and Cervical Cancer Program at DSHS. Beginning September 1, a woman screened positive for breast or cervical cancer by any provider in Texas may qualify for Medicaid coverage for her treatment assuming she meets all other eligibility requirements.

After Hours Care - Referral Requirements in PCCM

HB 1579, by **Representative Ryan Guillen (D-Rio Grande City) and Senator Bob Deuell**, ensures that FQHCs and RHCs will be reimbursed for after hours care they provide to Medicaid patients regardless of whether they have a referral from the patient's primary care provider (PCP). This provision applies to all Medicaid managed care arrangements, including the Primary Care Case Management (PCCM) program operating in rural areas.

New After Hours Requirement for FQHCs

As a separate issue from HB 1579, an existing rider that provides guidance to DSHS on the use of Primary Health Care and Incubator funds was modified to add the following section: "It is the intent of the Legislature that an FQHC that receives services under this section shall operate extended weekend and evening hours." TACHC worked with the

House Appropriations committee over the course of the session to modify this language to say that FQHCs will make "reasonable efforts" to provide extended hours according to the needs of their communities. Unfortunately, the original rider language was included in the final version of the budget. No additional funding was included in the budget for this purpose. TACHC has asked DSHS to quickly issue an interpretation of this rider language that goes into effect September 1. For those of you submitting Primary Health Care applications next week, DSHS advises you to submit the applications you have been planning to submit and, as information becomes available, they will work with contractors to meet any new requirements.

Medical Licensure

In response to the significant backlog of medical licensure applications at the Texas Medical Board, the Legislature passed several measures aimed at studying the cause of the problem and fixing it. A supplemental appropriations bill provides funding for six additional FTEs in the licensing division at the Medical Board. And, thanks to **Representative Jim McReynolds (D-Lufkin)**, any doctor that commits to practice in an underserved area will qualify for expedited licensure.

TACHC will keep you updated as state agencies work to implement the new provisions handed down by the Texas Legislature. Stay tuned!

Fifteen Texas Health Centers Received New Access Point and Expanded Medical Capacity Grants This Month!

Congratulations to the newest BPHC awardees! With our new access point grants, the number of funded FQHCs has now risen to 54. Here are the newest grant recipients:

New Access Point (effective July 1, 2007)	Expanded Medical Capacity (effective June 1, 2007)
Frontera Health Network, Eden	Martin Luther King Jr. Family Clinic, Dallas
Houston Community Health Centers, Houston	Cross Timbers Community Health Centers, De Leon
Healthcare for the Homeless - Houston, Houston	South Central Houston Community Health Center, Houston
Longview Wellness Center, Longview	Centro San Vicente, El Paso
Presidio County Health Services, Inc., Marfa	El Centro de Corazon, Houston
Atascosa Health Center, Pleasanton	Regence Health Network, Plainview
Heart of Texas Community Health Center, Waco	Communicare Health Centers, San Antonio
	El Centro del Barrio (CentroMed), San Antonio

Study Finds Medicaid Citizenship Documentation a Hindrance for Health Center Medicaid Patients; Texas Centers Don't Report Any Problems

George Washington University issued a [study](#) this month giving a preliminary analysis on the effect of Medicaid citizenship documentation requirements on health centers and their patients. They find that nearly 90 percent of the 300 centers surveyed reported enrollment difficulties for patients of all ages. So far, however, Texas health centers have not reported much of a problem with this issue. Any thoughts on why this could be? Please email Katie Coburn (kcoburn@tachc.org) with your thoughts.

Managed Care Wraparound Payments - A Word of Caution for Pilot Area Centers

Earlier this month, TACHC sent out notice that HHSC plans to discontinue a pilot program operating in the Nueces County service area and statewide in the STAR+PLUS program that serves elderly and disabled. The pilot program required HMOs in those areas to pay FQHCs their full encounter rate up front and eliminating the state's wraparound payment requirement. This program will end on September 1, 2007, and the state will not be taking this policy statewide as they has previously indicated.

If you are located in the Nueces county service area, or you participate in the STAR+PLUS program, however, it is crucial for you to watch your Medicaid managed care reimbursements CAREFULLY until this payment system ends in September. If your encounter rate has changed or will change before September 1, be sure to notify all relevant HMOs and HHSC *in writing* of the change. Remember, the HMO has been paid in full by the state for your services, and they are required to pass the full amount on to you. It is important to have written documentation to all relevant parties about rate changes to ensure you receive your full payment.

Register New Advocates

The Legislative session may be over, but now is the time to build and maintain good relationships with your elected officials. Keep up the great advocacy work and ask others to join us! They can click below to sign up.

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