

Texas Update - September 2006

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Managed Care Update

As noted in a previous newsletter, health centers in the Bexar, Dallas, El Paso, Harris and Lubbock service areas are noticing that their Medicaid patients are signed up with Health Maintenance Organizations ("HMOs") under the State of Texas Access Reform ("STAR") program. On January 1, 2007, SSI Medicaid patients in the Bexar, Harris, Nueces and Travis service areas will also be signing up with HMOs under the STAR Plus program. Patients in the STAR and STAR Plus service areas will no longer be allowed to sign up under the non-capitated Primary Care Case Management ("PCCM") system. Meanwhile, those of you in more rural areas of the state are dealing with the PCCM expansion.

If all this change isn't enough for you, the state has now indicated that it *may* require HMOs to pay health centers their full encounter rate, as opposed to HMOs paying their best rates and the state providing a wraparound payment. The proposed system *could* negatively affect health centers if HMOs are not paid enough by the state to make it worth their while to contract with them. Indeed, it's possible that any contract term to accept this new payment structure may waive the rate setting review health centers currently receive to raise their rates each year: be sure to review all contracts CAREFULLY.

NOTE: The state is currently rolling out this new policy of HMOs reimbursing encounter rates in the Nueces Service Area (Aransas, Bee, Calhoun, Jim Wells, Kleberg, Nueces, Refugio, San Patricio or Victoria counties). If you are a center that operates here, you may already have been made an offer to work under this proposal, and you need to be aware of any possible pitfalls.

Does all this sound *slightly* confusing? Help is on the way - at the **CFO Network Meeting on October 14 at TACHC's Annual Conference**, TACHC legal staff will discuss issues related to HMO contracts, and participants will come away with a specific list of items to look for in all managed care contracts.

In the meantime, TACHC has the following recommendations:

-- **Contract with HMOs.** It is important for health centers in the STAR and STAR Plus service areas to contract with the HMOs in their area once they have carefully reviewed and negotiated the contracts and all related documents. If your Center does not contract with an HMO, it will not be reimbursed for Medicaid patients signed up with that HMO. **HOWEVER, DO NOT SIGN ANY CONTRACT THAT INCLUDES A STATEMENT THAT THE HMO WILL PAY THE FULL FQHC ENCOUNTER RATE** or that HHSC will not pay the Center a wraparound payment or something similar. If you think you have been offered a contract that includes such a clause, please contact TACHC for assistance.

-- **Remain enrolled as a PCCM provider.** It may take time for patients to be transferred from PCCM to STAR. Also, you may see patients who have traveled from a PCCM area to your health center for care. If your center does not remain enrolled in PCCM, it will not be reimbursed for any PCCM patient encounters.

-- **Pay close attention to patient panels.** Centers have reported that patients have been reassigned to another provider even when they have come to the Center for care for a long time. This often occurs when a patient does not choose a provider when signing up for a new Medicaid program. If a patient wants a Center provider as his or her PCP, but has been assigned to a PCP outside of the Center, you can do one of the following. If the patient prefers changing PCPs, let the patient immediately call the HMO patient hotline to change their selection of PCP to be the Center or, if the patient is put on hold for a long time, call the provider hotline and let the patient speak with the operator there to change the PCP selection. If the patient prefers to keep the assigned PCP but still use the Center for a visit, get a referral from the selected PCP to the Center. Also, track and send the Medicaid numbers of any such patients to TACHC for investigation of the improper reassignment.

Senate Health and Human Services Committee Meets to Discuss Medicaid Reform

After passage of the Deficit Reduction Act (DRA), many states are considering what changes they can make to their Medicaid programs to increase efficiency and quality of care, and Texas is no exception. On September 19, the committee discussed a variety of proposals being pursued in other states. Chair Jane Nelson expressed particular interest in studying how the following ideas may operate in Texas:

- A "Connector" database concept - working soon in Massachusetts, which will provide information on a full range of available health plans and connect individuals with plans they may want to purchase. (Massachusetts recently passed a law requiring all residents to purchase health insurance.)
- Enhanced benefit accounts - clients earn credits in a health savings account for healthy behaviors such as a participating in a disease management program. Under this proposal, clients with a basic benefit package could earn vision or dental benefits.
- Use of Health Opportunity Accounts, cost sharing, and premium assistance in CHIP all were discussed.

The Committee will post its interim recommendations this fall. Stay tuned...

Hurricane Rita Waiver Claims Processing Deadline Moved Up to September 30, 2006

As of this week, the Health and Human Services Commission has changed its policy regarding Hurricane Rita claims from allowing 365 days from the date of service to requiring all claims be submitted by September 30 - *by the end of this week*.

For claims covered under this provision the following information, at a minimum, is required: client name, Social Security number (if available), date of birth, sex, age and zip code. The client's zip code must be in a declared disaster area for the claim to be eligible for payment. The claims submitted also must include services provided and dates of service.

If you have claims for Rita evacuees, get them in before the end of the week!

Dr. Charles Bell Serving as Interim Commissioner of DSHS

Dr. Charles Bell, currently Deputy Executive Commissioner, Health Services, at the Health and Human Services Commission, will also serve as interim commissioner of the Department of State Health Services. He'll be doing double duty until a permanent commissioner is found.

Changes to the National Health Service Corp Loan Repayment Program

This week HRSA announced that there will be ONE deadline, falling on March 30, 2007 (postmark date), for the NHSC Loan Repayment Program application and all supplemental documentation. In the past, HRSA has allowed certain documents to be submitted by late July, which allowed applicants who graduate from training programs in June to apply for loan repayment in the same year. Now, with this hard and fast deadline for *all* required documentation, spring graduates will have to wait until the next year to apply for loan repayment. Questions about this new process can be directed to the following number: 800-638-0824.

New Information Available at CDC on the New HPV Vaccine

The Department of State Health Services, Immunization Branch recently distributed new information on the Human Papillomavirus vaccine available online at the Center for Disease Control and Prevention's website: www.cdc.gov/std/hpv. This new vaccine, Gardasil, protects against four forms of HPV that are known to cause 70% of cervical cancers and 90% of genital warts. Materials include a new fact sheet for health care providers, available at www.cdc.gov/std/HPV/STDFact-HPV-vaccine-hcp.htm, and an interim Vaccine Information Statement (VIS) for HPV vaccine. You can find the interim statement at www.cdc.gov/nip/publications/VIS/vis-hpv.pdf.

Forward This Message To Friends And Colleagues

Here's the link to sign up as a health center advocate:
<http://votervoice.net/groups/tachc/?registeronly=true>