TAHP
The Texas Association of Health Plans

Representing health insurers, health maintenance organizations, and other related health care entities operating in Texas.

Medicaid Managed Care: Ensuring Access to Quality Care

Texas MCOs Improve Access to Care

- **Texas MCOs meet and exceed** a number of national and state standards for improving access to timely and quality care
- **Surpassed national performance expectations** on access to child well visits and childhood immunizations
- **MCOs implement innovative solutions** to address provider specialty shortages and after-hours urgent care needs
- **No waiting list for community care** increases access and avoids institutionalizations
- **Consumer-directed service options are utilized 3 times more** in managed care than traditional FFS Medicaid
- **MCOs offer a number of value-added services** to members at no cost to the state to **increase access to high quality care**
- **High level of consumer satisfaction—**83% of families with children in managed care report an overall positive experience with their MCO
- **93% of parents report having access** to their child's PCP when needed
- **Texas MCOs have improved access** to timely prenatal care and meet national standards
- **Significant reduction in hospital admissions** for asthma, diabetes, GI infections, UTIs, and bacterial pneumonia due to more appropriate access to timely and quality care
- **Better prescription drug management and adherence than FFS—**More than 93% of children receive appropriate asthma medications and adherence has improved 27% for respiratory diseases and 24% for heart attack treatment

Managed Care is a Proven Effective Tool

Despite the challenges of Medicaid, managed care has proven to be an effective tool for improving access to care in Texas, and Medicaid managed care organizations (MCOs) continue to implement innovative solutions to increase access to care not possible under the old fee-for-service (FFS) model. Texas currently has a robust set of Medicaid network adequacy requirements that ensure access to timely and quality care, none of which exist in the FFS model.

Like health plans in the commercial health insurance market, Medicaid MCOs establish provider networks to ensure their members have timely access to quality health care providers. Having adequate access to care is important because it means patients receive the ***right care at the right time in the right setting***, resulting in improved outcomes for patients and ***lower costs*** for the health care system and taxpayers.

Texas Medicaid MCOs are subject to Texas Department of Insurance (TDI) network adequacy standards and federal and state Medicaid MCO network adequacy standards, which are more stringent than TDI's standards. ***Network adequacy*** refers to a health plan's ability to deliver plan benefits by providing reasonable access to a sufficient number of contracted providers.

Enhancing Access to Care

"On January 20, 2015, in Frew v. Janek, the U.S. District Court found that HHSC has shown to… enhance recipients' access to care through ensuring an adequate supply of health care providers."

—HHS Executive Commissioner Kyle L. Janek, M.D.
January 30, 2015 Letter to Senator Nelson and Rep. Four Price

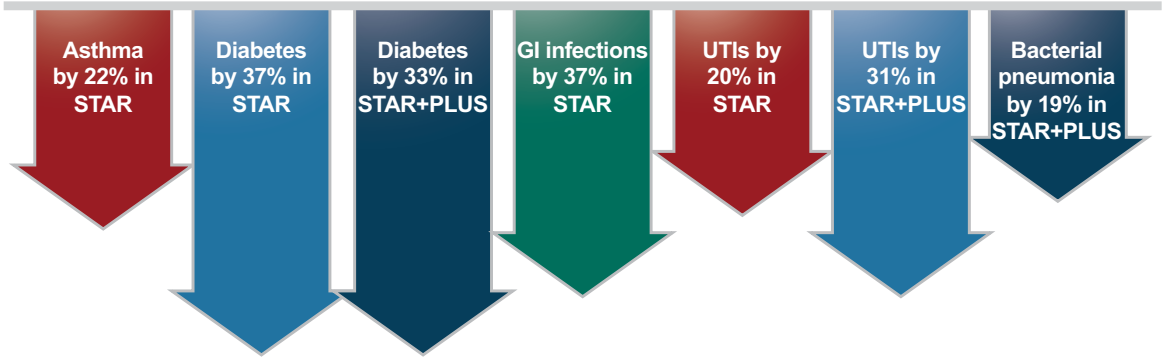
Patient Outcomes are a Strong Measure of Access

While distance and wait times are common ways of assessing network adequacy used by many states including Texas, patient outcomes can provide more valuable information on whether patients are able to access timely and quality care.

For example, diabetes and asthma are two very common conditions in the Medicaid program that should not result in hospitalizations if enrollees have access to appropriate care and care management. Between 2009 and 2011, Medicaid MCOs dramatically reduced hospitalizations related to diabetes, asthma, and other conditions, a clear indication that patients had timely access to the care they needed:

MCOs Improved Quality of Care

Between 2009 and 2011,
MCOs reduced hospital admissions for:



Additionally, HHSC's Pay-for-Quality (P4Q) program holds 4% of the MCOs' capitated payment at-risk for their performance on certain quality-based outcomes measures. These measures include: potentially preventable hospital admissions (PPAs), potentially preventable hospital readmissions (PPRs), potentially preventable emergency room visits (PPVs), and potentially preventable complications (PPCs). A MCO's performance on these measures is indicative of the quality and accessibility of care patients receive in the MCO's network. As a result, MCOs with network adequacy issues would not perform well on these measures and are at-risk of losing a portion of their capitated payment.

Enhanced Access Compared to the FFS Model

When compared to other states, Texas' Medicaid network adequacy requirements are in line with ***(or stronger than)*** other states' requirements.

When compared to the FFS model, managed care provides ***enhanced access to care and accountability***. Medicaid MCOs must ensure that their members have a medical home and that the MCO's network of providers is adequate across all provider types. HHSC can assess ***contractual remedies*** (e.g., liquidated damages, corrective action plans) against any MCO that fails to meet network adequacy standards. In contrast, the FFS model has no network adequacy requirements and consumers are left to locate willing Medicaid providers on their own.

Texas Medicaid MCOs face a number of access to care challenges: provider workforce shortages, Medicaid rates that are lower than Medicare and the commercial market, and administrative burdens that discourage provider participation in the Medicaid program. ***Despite these challenges, Medicaid managed care has proven to be an effective tool for improving access to care in Texas, and Medicaid MCOs continue to implement innovative solutions to increase access to care not possible under the FFS model.***

Strong Network Access Requirements

- **Texas already has robust network access requirements** for MCOs that ensure access to timely and quality care, none of which are found in the FFS model
- MCO network access requirements **are in line with or stronger than other states' requirements**
- **Managed care provides enhanced access to care and accountability** over the FFS model
- **FFS model has no network access requirements** and consumers are left to locate willing Medicaid providers on their own
- **A competitive landscape in Texas forces MCOs to compete** to have the best access to providers. There are two or more MCOs competing in every region and consumers have the option to switch at any time
- **HHSC can assess contractual remedies** (e.g., liquidated damages, corrective action plans) against any MCO that fails to meet network adequacy standards

How MCOs are Increasing Access Around the State

20 counties served by **Driscoll Health Plan** in South Texas have no child and adolescent psychiatrists. In response to this need, Driscoll partnered with the University of Texas Medical Branch (UTMB) and Behavioral Health Services of Nueces County (BHSNC) to implement the Tele-Psych Clinic to increase access to mental health services. The Clinic uses telemedicine to provide children and adolescents in these 20 counties access to psychiatrists.

To increase access to care for members who are homebound or have significant barriers to getting to their PCP's office, **Amerigroup** implemented a program that offers in-home medical services including provider visits, x-rays, laboratory tests, and treatment monitoring for chronic conditions (e.g., diabetes, congestive heart failure, hypertension). The program has successfully decreased unnecessary emergency room (ER) visits and hospitalizations.

Parkland Community Health Plan is collaborating with local community-based efforts to improve access to asthma care for all ages. The initiative provides home visits by respiratory therapists for the most severe asthmatics. The program has resulted in significant decreases in ER visits and hospital admissions for asthma.

Superior Health Plan serves over 30,000 children in the foster care program (STAR Health). By providing access to care management intervention immediately upon hospital discharge, Superior's Integrated Diabetes Program has reduced hospital admissions and readmissions for foster children who had previously been hospitalized multiple times for their diabetes.

Cigna HealthSpring's intensive behavioral health intervention program has improved access to mental health services for its members with schizophrenia, bipolar disorder, substance abuse disorder, and personality disorder. Nurse case managers seek out individuals in their home, shelters, or even jail (they go wherever the member is located) to administer medications, perform mental health evaluations, and address and resolve housing and financial issues. The program has resulted in a 90% reduction in inpatient hospital admissions for program participants and a 40% reduction in costs.

Medicaid MCO Success

- **Estimated $7.1B All Funds cost-savings** for FY10-18 compared to FFS
- **28.4% All Funds cost-savings for Dental Managed Care** program since FY12
- **Estimated $785M All Funds Rx Savings—** MCO prescription drug savings to the state for FY12-18, compared to FFS

Recommendations for Improving Access to Care in Medicaid

- ***Maintain strong Medicaid MCO network adequacy standards that also take into account circumstances outside a MCO's control (e.g., provider shortages, refusal by provider to contract).***

- *Reduce administrative burdens for consumers, providers, and MCOs:*
  - *Allow Medicaid providers to use their National Provider Identifier (NPI) rather than requiring a separate Texas Provider Identifier (TPI).*
  - *Reduce errors in members' primary care provider (PCP) assignments by requiring MCOs to make assignments and changes.*
  - *Require TDI and HHSC to streamline duplicative MCO administrative reporting requirements and coordinate external MCO oversight activities.*

- ***Ensure state Medicaid payment policies do not create perverse incentives for providers not to contract with MCOs.***

- *Allow MCOs to competitively negotiate rates with providers rather than establishing statewide reimbursement rates for managed care.*

- ***Address underlying state workforce shortages.***

- *Prior to adding any new MCO administrative reporting requirements related to network adequacy, make sure that network adequacy data already collected by HHSC is more accessible.*

- ***Ensure a regulatory/licensing environment that encourages innovative solutions to access to care issues, including the use of technology like telemedicine.***

For more information, follow us on twitter @txhealthplans or visit www.tahp.org

Jamie Dudensing
CEO
jdudensing@tahp.org

Jason Baxter
Director of Government Relations
jbaxter@tahp.org

Sharen Ludher
Director of Policy and Government Programs
sludher@tahp.org

Jessica Sandlin
Director of Communications
jsandlin@tahp.org

TAHP
The Texas Association of Health Plans

TEXAS ASSOCIATION OF HEALTH PLANS | Tel: 512.476.2091 | www.tahp.org