

1115 Waiver: A New Public Health Revenue Stream



BUDGET AND FISCAL AFFAIRS COMMITTEE
JANUARY 29TH, 2013



**Houston Department of
Health and Human Services**



1115 Waiver Background



- **The Centers for Medicare and Medicaid Services (CMS) created the 1115 Waiver to allow states to:**
 - Expand Medicaid managed care
 - Provide incentive payments for health care improvements
 - Assist hospitals serving large numbers of uninsured patients
- **The program is designed to foster changes to the healthcare delivery system.**
- **Compensation and incentives must be earned by meeting performance targets.**
- **Participants are required to submit a local match of 42% of the anticipated incentive payment.**
- **CMS will return 100% of the value of the service provided.**
- **1115 Waiver was created in 2011 to run for five years.**

1115 Waiver Background



- Texas applied to participate and was approved in 2011.
- The Southeast Region submitted a consolidated application in December, 2012
 - Harris County Health (Harris County Hospital District) is the coordinating agency for the SE region.
 - Providing agencies should begin receiving reimbursements in the Spring of 2013.
 - The program provides for significant investment in public health services.

1115 Waiver Background



- **Qualifying projects must:**
 - Be new
 - Be an expansion of an existing program
 - Establish specific, measurable performance metrics which will lead to short and long term health care cost reductions
- **Incentive payments:**
 - The City must maintain the 42% investment to remain eligible.
 - CMS payments to HDHHS can only be used for public health services as identified in Chapter 121 of the Texas Health and Safety Code.

Health Department Projects



- **TB Rapid Identification, Treatment and Recovery Project**
 - Project to rapidly identify active TB cases, increase screening, provide housing for TB patients and reduce length of hospitalization
- **HIV Service Linkage Expansion Program**
 - Program to provide navigation services to targeted clients who are at high risk of disconnect from health care
- **Increase Oral Health Services and expand Project Saving Smiles**
 - Expand diagnostic and preventative oral health services and link more patients to dental services
- **Oral Health Services for the Elderly**
 - Program to provide diagnostic, preventive, and restorative oral health services for at risk seniors

Health Department Projects



- **Care Houston Links**
 - Program to reduce the frequency of non-urgent ambulance runs and emergency room visits
- **Diabetes Awareness and Wellness Network (DAWN) Center**
 - Project to establish health and wellness centers in neighborhoods at risk of poor health outcomes due to chronic disease
- **Healthy Homes Fall Prevention (HHFP)**
 - Program to provide education relating to fall prevention and safety for seniors
- **Nurse Family Partnership Expansion**
 - Expansion of current HDHHS program which conducts home visits and provides prenatal, infant and childhood education over 2.5 year period

Health Department Projects



- **Integrated Services for the Homeless**
 - Program providing safe, affordable permanent housing to people experiencing co-occurring psychiatric and substance use disorders
- **Colorectal Cancer Awareness and Screening**
 - Increase colorectal cancer screening rate in high risk zip codes among 50-75 year olds
- **Care Transitions Expansion**
 - Expansion of program to improve transitions of patients with heart failure conditions from the inpatient hospital to other care settings

Other City Department Projects



- **ETHAN (Emergency Telehealth & Navigation)**
 - Callers to 911 will be evaluated by HFD-EMS emergency medical technicians and/or paramedics. Patients with non-life threatening illnesses will be triaged by a physician
- **Houston Sobering Center**
 - Public inebriants placed in less restrictive environment with link to medical and treatment services

Years 1-5 Funding



Category	Fund Type	Type	Amount		Total
			FY13	FY14-17	
42% match to state	General Fund	Expenditure	\$11,593,773	\$37,911,855	\$49,505,628
Reimbursement from State (42%)		Revenue	\$11,593,773	\$37,911,855	\$49,505,628
Reimbursement from State (58%)	Special Fund	Revenue	\$16,010,448	\$52,354,466	\$68,364,914
Operation Cost		Expenditure	\$16,010,448	\$52,354,466	\$68,364,914
Total Reimbursement from State (100% match)			\$27,604,221	\$90,266,321	\$117,870,542

Next Steps



- **Request Approval of Ordinance – Feb. 6, 2013**

An ordinance creating the Essential Public Health Services Fund and establishing the sources and uses of the funds to offset costs associated with the administration of Medicaid Transformation Waiver projects and to perform other essential public health services as defined in Chapter 121 of the Texas Health and Safety Code

- **Respond to feedback from HHSC and CMS**

- **Develop project implementation plans**