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# Overview of Medicaid Managed Care

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**Medicaid & CHIP Services Department**

**Texas Health and Human Services Commission**

# Introduction to Texas Medicaid

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- Overview
- Medicaid Managed Care Model
- Medicaid Managed Care Programs
- Questions



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# What does Medicaid Provide?

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- Acute Care
- Long-Term Services and Supports (LTSS)



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# What is Managed Care?

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- Healthcare provided through a network of doctors, hospitals, and other healthcare providers responsible for managing and delivering quality, cost-effective care
- The State pays a managed care organization (MCO) a capitated rate for each member enrolled, rather than paying for each unit of service provided
- Texas has operated Medicaid managed care delivery models since 1993



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# Managed Care Organizations

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- MCOs provide a medical home through a primary care provider (PCP) and referrals for specialty services as needed.
  - Exception: Clients who receive both Medicare and Medicaid (dual eligible) get acute care services through Medicare
- MCOs may offer extra services, also called “value-added services” (e.g. respite, extra dental services, extra vision services, health and wellness services).



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# Managed Care Organizations

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- Providers must be enrolled as a Texas Medicaid provider
- Providers must individually contract and be credentialed with an MCO to be in that MCO's network and provide Medicaid services in managed care
- Rates are negotiated between the provider and the MCO
- Processes such as authorization requirements and claims processing may be different between MCOs



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# Billing

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- Acute care providers must:
  - Be credentialed and enrolled in Medicaid
  - Contract with an MCO to be paid for services
  - Bill MCOs directly within 95 days
  - Bill Medicare directly for acute care services delivered to dually eligible members
- MCO must adjudicate a clean claim within 30 days



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# Goals of Managed Care

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- Emphasize preventative care
- Improve access to care
- Ensure appropriate utilization of services
- Improve client and provider satisfaction
- Establish a medical home for Medicaid clients through a PCP
- Improve health outcomes, quality of care, and cost effectiveness
- Promote care in least restrictive, most appropriate setting



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# Managed Care Programs in Texas

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- STAR
- STAR Health
- STAR+PLUS
- STAR Kids
- Children's Medicaid Dental Services (CMDSD)
- Dual Eligible Integration Care Project (called the Dual Demonstration)



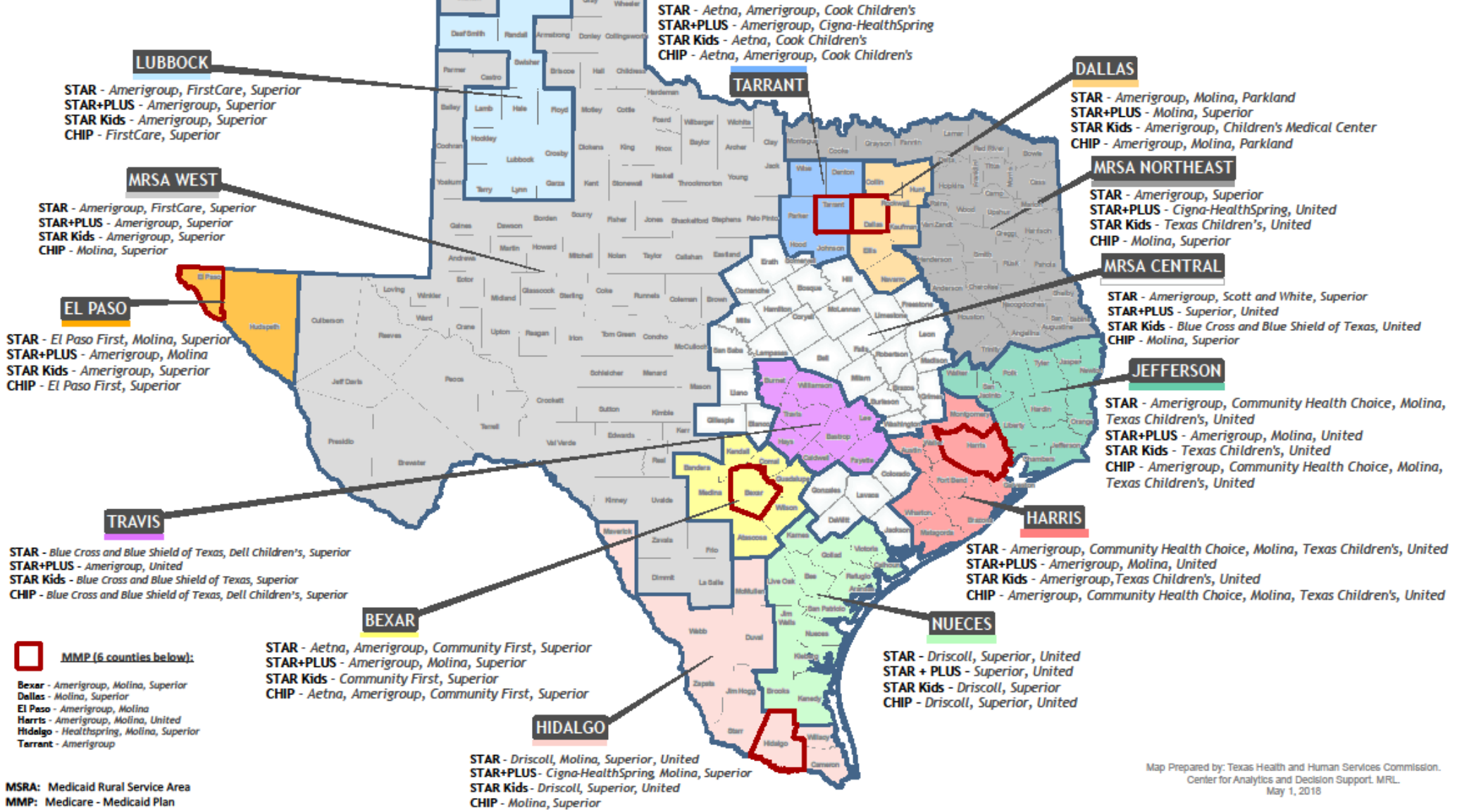
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# TEXAS Managed Care Service Areas

**STAR Health (statewide) - Superior**  
**Dental (statewide) - DentaQuest, MCNA**



Map Prepared by: Texas Health and Human Services Commission,  
Center for Analytics and Decision Support. MRL  
May 1, 2018

# Managed Care Client Enrollment

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- As of May 2018
  - 4,004,627 Clients are enrolled in Texas Medicaid
  - 3,739,870 members are enrolled in Managed Care:
    - STAR – 2,978,893
    - STAR Health – 33,698
    - STAR+PLUS – 521,300
    - Dual Demo – 43,204
    - STAR Kids – 162,775



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# What is STAR?

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- The State of Texas Access Reform (STAR) program provides acute care services (like doctor visits, hospital visits, and prescriptions) mostly for children and pregnant women
- STAR operates statewide under the authority of the 1115 Transformation Waiver
- Services are delivered through MCOs under contract with HHSC



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# STAR Populations

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- Mandatory participants include:
  - Individuals receiving Temporary Assistance for needy Families (TANF) benefits
  - Pregnant women and children with limited income
  - Newborns
  - Certain former foster care youth
  - Special Populations



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# STAR Populations

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- Excluded participants include:
  - Individuals who reside in institutions
  - Individuals who receive Medicare and Medicaid services (called dual eligible)
  - Have complex medical need
  - Children in foster care
  - Adults and children with disabilities (including those receiving 1915(c) waiver services)
  - SSI recipients



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# STAR Benefits

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- Traditional Medicaid benefit package
- PCP (serves as the medical home and coordinates care)
- Unlimited Prescriptions
- Unlimited medically necessary days in a hospital
- Value-added Services



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# STAR and CHIP RFP

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- RFP HHS0000636
- Proposals due to HHSC on July 17, 2018
- Contract award anticipated for 1<sup>st</sup> quarter of 2019 (Jan – Mar 2019)
- Operational start date – January 1, 2020



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# STAR Health

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- For children and youth in conservatorship of the Department of Family and Protective Services (DFPS)
  - Provides comprehensive, coordinated medical, dental and behavioral health services, as well as long term services and supports,
- Services are delivered through a single MCO under contract with HHSC



# STAR Health Populations

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- Medicaid Clients who participate in STAR Health include:
  - Children under age 18 in state conservatorship, including those in foster care and kinship care
  - Young adults up to the month of their 22nd birthday who have voluntary extended foster care placement agreements
  - Young adults up to the month of their 21st birthday who were formerly in foster care and are receiving Medicaid services under Medicaid for Former Foster Care Children (FFCC)



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# What is STAR+PLUS?

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- STAR+PLUS integrates the delivery of acute care plus LTSS for adults who have a disability or who are age 65 and older
- Main feature is service coordination
- STAR+PLUS operates statewide as of September 1, 2014, under the authority of the 1115 Transformation Waiver
- Nursing facilities were carved in March 2015
- Services are delivered through MCOs under contract with HHSC



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# Mandatory Population in STAR+PLUS

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- Mandatory participants include:
  - Adults age 21 and older with a disability who qualify for Medicaid or Supplemental Security Income (SSI)
  - Adults who qualify for Medicaid because they meet an institutional level of care and need STAR+PLUS Home and Community-Based Services (HCBS)
  - Non-dual eligible adults receiving services through one of the five 1915(c) waiver programs for individuals with intellectual and developmental disabilities (IDD) must enroll in STAR+PLUS for acute care services only
  - Medicaid for Breast and Cervical Cancer participants aged 18 to 65.



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# STAR+PLUS Benefits

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- Traditional Medicaid benefits
- Primary care provider (PCP)
- Unlimited Prescriptions
- Value-added Services
- Long-term services and supports
- Service Coordination



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# STAR+PLUS RFP

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- RFP HHS0000428
  - Anticipated date of contract award is 4th quarter of 2018 (Oct – Dec 2018)
  - Operational start date: January 1, 2020



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# What is STAR Kids?

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- STAR Kids integrates the delivery of acute care, behavioral health, and LTSS benefits for children and young adults 20 and younger with disabilities
- Main features include service coordination, a comprehensive needs assessment, client-centered planning and service design, and transition planning
- STAR Kids was available statewide as of November 1, 2016
- Services are delivered through MCOs under contract with HHSC



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# STAR Kids Populations

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- Mandatory participants include children and young adults aged 20 and younger:
  - Who receive SSI and SSI-related Medicaid
  - Who receive SSI and Medicare
  - Who receive Medically Dependent Children Program (MDCP) waiver services
  - Who receive Youth Empowerment Services (YES) waiver services for acute care services only



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# STAR Kids Populations

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- Mandatory participants include children and young adults aged 20 and younger:
  - Who receive IDD waiver services (e.g., CLASS, DBMD, HCS, TXHmL) for acute care services only
  - Who reside in a community-based ICF-IID or in an NF for acute care services only
    - Children and young adults age 20 and younger who reside in the Truman Smith Children's Care Center or a state veteran's home are excluded from managed care



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# STAR Kids Benefits

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- Traditional Medicaid benefits for children
- PCP
- Unlimited prescriptions
- Unlimited Medically necessary days in a hospital
- Value-added services
- Service coordination



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# STAR Kids Benefits

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- MCOs are responsible for authorizing, arranging, coordinating, and providing services in accordance with contract requirements, including:
  - Medically necessary covered services
  - Functionally necessary covered services



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# STAR Kids Benefits (cont.)

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- MCOs must provide full coverage for necessary covered services beginning on the date of the member's enrollment and without regard to the member's:
  - Pre-existing conditions
  - Prior diagnosis
  - Health status
  - Or any other reason
- MCOs must provide covered services in the same amount, duration, and scope as outlined in the Medicaid state plan



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# STAR Kids LTSS

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- LTSS available under the State Plan for STAR Kids members includes:
  - Private duty nursing (PDN)
  - Personal care services (PCS)
  - Community First Choice (CFC) services for qualifying members
- MDCP waiver services, available to members who meet income, resource, and medical necessity requirements for nursing facility level of care, Include:
  - Services unavailable under the State Plan, as a cost-effective alternative to living in a nursing facility



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# STAR Kids MDCP Service Array

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## 1. STAR Kids MDCP Waiver

- Adaptive aids
- *Employment Assistance*
- *Flexible family support services*
- Minor home modifications
- *Respite services*
- *Supported employment*
- Transition assistance services
- *Financial Management Services*

*\*Services in italics may be self-directed*



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# Children's Medicaid Dental Services (CMDS)

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- CMDS are provided statewide for most children and young adults enrolled in Medicaid
- Services are delivered through two dental maintenance organizations (DMOs) under contract with HHSC



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# CMDs Populations

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- Medicaid clients who participate in CMDs include:
  - Children and young adults ages 20 and younger except those residing in a nursing facility or an intermediate care facility for individuals with intellectual disabilities or related conditions (ICF/IID)
  - Children and young adults in STAR Health do not receive dental services through CMDs, but through STAR Health



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# What is the Dual Demonstration?

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- CMS and HHSC established a federal-state partnership to better serve individuals who are dually eligible (have Medicare and Medicaid benefits)
  - Is a fully integrated care model
  - Requires one Medicare-Medicaid plan (MMP) to provide the full array of Medicare and Medicaid benefits.
  - Single point of accountability for delivery, coordination, and management of services



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# What is the Dual Demonstration?

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- Demonstration will run March 2015 through December 31, 2020
- Available in six counties:
  - Bexar
  - Dallas
  - El Paso
  - Harris
  - Hidalgo
  - Tarrant



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# Dual Demonstration Population

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- Individuals can participate in the demonstration if they:
  - Are 21 or older and have a disability and qualify for SSI
  - Have Medicare Part A, B, and D, and are receiving full Medicaid benefits
  - Are eligible for or enrolled in the Medicaid STAR+PLUS program, which serves members who have disabilities and those who meet a nursing facility level of care, and receive STAR+PLUS HCBS
  - Reside in one of the demonstration counties



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# Questions?

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**Thank you**

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