

Medicaid
ISSUE DOCKET

Conference Committee on General Appropriations Bill
Conference Decisions as of

Agency/Item	House	Senate	Conference Decisions		Explanation
			State Funds	All Funds	
<u>DEPARTMENT OF AGING AND DISABILITY SERVICES</u>					
1. Cost Growth		✓	\$ 16,956,642	\$ 39,499,507	Senate includes LBB projected cost growth associated with the forecast for the introduced bills. See also House Article XI-4. Revised LBB projected cost growth is \$10,431,154 GR / \$24,159,476 AF.
2. Interest Lists					House and Senate include same total amount of funding (\$67,940,352 GR / \$163,342,964 AF) but allocate it differently between programs and/or fiscal years. (9.4 / 27.0 FTEs)
STAR+PLUS CBA	✓		\$ 1,008,008	\$ 2,539,592	House includes funding for 100 STAR+PLUS CBA, 880 CLASS, and 2,134 HCS slots with clients assumed to be enrolled steadily across the biennium. See also House Article XI-4. Senate includes funding for 1,646 STAR+PLUS CBA and 564 CLASS slots with clients assumed to be enrolled steadily across the biennium. Senate includes funding for 2,134 HCS slots with one-third of clients enrolled in fiscal year 2016 and the remaining clients enrolled in fiscal year 2017. See also Senate Article XI-
		✓	\$ 16,567,904	\$ 41,759,148	
CLASS	✓		\$ 20,399,430	\$ 52,036,813	
		✓	\$ 11,374,729	\$ 28,508,403	
HCS	✓		\$ 46,532,914	\$ 108,766,559	
		✓	\$ 39,997,719	\$ 93,075,413	

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3. Promoting Independence STAR+PLUS CBA	✓	✓	\$ 676,417	\$ 1,575,045			House funds agency request for 100 STAR+PLUS CBA and 1,045 HCS slots with clients assumed to be enrolled steadily across the biennium. (7.8 / 15.8 FTEs)
			\$ 338,209	\$ 787,523			
HCS	✓	✓	\$ 25,172,484	\$ 70,716,652			Senate funds one-half of agency request, funding 50 STAR+PLUS CBA and 522 HCS slots with clients assumed to be enrolled steadily across the biennium. (3.9 / 7.9 FTEs) See also Senate Article XI-2.
			\$ 12,586,238	\$ 35,358,328			
4. PASRR, Increased Utilization of Specialized Services	✓	✓	\$ 17,744,994	\$ 44,244,593			House partially funds agency request for increased utilization of specialized services by persons with intellectual and developmental disabilities in nursing facilities. (11.5 / 11.5 FTEs) See also House Article XI-4. Senate funds one-half of agency request. (3.5 / 3.5 FTEs)
			\$ 10,570,068	\$ 26,354,945			
5. HCS Dental Services	✓	✓	\$ 8,287,486	\$ 19,320,400			House funds agency request, which would increase the annual cost cap on HCS dental services from \$1,000 to \$2,000. Senate funds one-half of agency request.
			\$ 4,143,743	\$ 9,660,200			
6. Sprinkler Systems, HCS 4-bed Homes	✓	✓	\$ 5,902,303	\$ 13,793,651			House funds agency request. Senate funds one-quarter of agency request and includes rider direction regarding reimbursement of providers.
			\$ 1,475,576	\$ 3,448,413			

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7. SSLCs									
Vehicle Replacement	✓		\$ 1,522,005	\$ 1,522,005					House funds one-half of agency request, which replaces approximately 56 vehicles. See also House Article XI-4.
Capital Improvements		✓	\$ 18,000,000	\$ 18,000,000					Senate includes funding for \$9.6 million in Life Safety Code repairs and \$8.4 million (10 percent of remaining request) for other capital improvements. See also House Article XI-4 and Senate Article XI-2.
QIDP Reclassification	✓		\$ 2,110,325	\$ 4,919,749					House funds agency request to reclassify qualified intellectual disability professionals to higher salary groups as recommended by SAO.
			Conference Decisions		\$ -	\$ -			
House Funding			\$ 129,356,366	\$ 319,435,059					
Senate Funding			\$ 132,010,827	\$ 296,451,880					

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<u>HEALTH AND HUMAN SERVICES COMMISSION</u>							
1. Cost Growth		✓	\$ 678,665,685	\$ 1,590,210,765			Senate includes LBB projected cost growth associated with the forecast for the introduced bills. See also Item 7, Cost Containment Rider. See also House Article XI-6. Revised LBB projected cost growth will be available later.
2. Maintain Claims Administrator Costs	✓		\$ 44,600,157	\$ 189,228,307			House funds agency request to increase funding for the Medicaid claims administrator contract, which includes increases associated with implementation of electronic visit verification, implementation of management programs for key metrics, various change orders already in progress, potential future change order requests, and other increases. See also Senate Article XI-12.
3. Community Attendant Care Wage Increases	✓		\$ 60,000,000	\$ 141,357,633			House includes \$30.0 million in General Revenue Funds for an increase in the base wage of personal attendants to \$7.97 per hour and \$30.0 million in General Revenue Funds for rate enhancement across community-based programs. See also House Article XI-6.
		✓	\$ 38,053,357	\$ 88,893,285			Senate includes funding for an increase in the base wage of personal attendants to \$8.00 per hour. See also Senate Article XI-2.

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4. Medicaid Staffing and Support		✓	\$ 1,104,430	\$ 2,960,090			Senate funds agency request for additional staff to support managed care expansions. Additional staff would allow expansion of utilization review functions, support health plan management for new managed care program expansions, and support program data analytics. (17.3 / 17.3 FTEs)
5. Primary Care Physician Rate Increases	✓		\$ 460,000,000	\$ 1,096,000,000			See also House Article XI-6. House includes funding to provide increases to primary care providers and/or services that were eligible for reimbursement at the Medicare level on December 31, 2014.
6. Rural Hospital Payments	✓		\$ 34,000,000	\$ 80,000,000			House modifies methodology for reimbursement to rural hospitals for outpatient services. Reimbursements for general outpatient, non-emergent emergency department, imaging, and clinical laboratory services would be reimbursed at 100 percent of cost including inflation
7. Cost Containment Rider		✓					Senate includes reductions totaling \$373,000,000 GR / \$869,570,428 AF through initiatives identified in cost-containment rider #51. They include:
Therapy Rates		✓	\$ (201,000,000)	\$ (468,588,889)			Reduce physical, occupational, and speech therapy rates to no more than the median Texas commercial rate. This level of savings assumes no phase-in of reductions.
Therapy Billing Periods		✓	\$ (13,000,000)	\$ (30,306,744)			Convert billing to 15-minute units. (Estimate assumes maximum savings.)
Home Therapies		✓	\$ (15,000,000)	\$ (34,969,320)			Encourage the use of therapies delivered at a provider's location instead of in the recipient's home.

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Managed Care Risk Margin		✓	\$ (79,000,000)	\$ (184,171,753)	Reduce the risk margin for managed care organizations by 0.5 percentage points.
Third Party Recoupments		✓	\$ (10,000,000)	\$ (23,312,880)	Increase reimbursement from class action settlements.
Drug Pricing Methodology		✓	\$ (15,000,000)	\$ (34,969,320)	Develop a new pricing methodology and dispensing fee based on a contracted evaluation.
Utilization Review/Prior Authorization		✓	\$ (15,000,000)	\$ (34,969,320)	Increase savings from utilization review and prior authorization.
Fraud, Waste, and Abuse		✓	\$ (25,000,000)	\$ (58,282,200)	Reduce fraud, waste, and abuse.
8. SB1475 Contingency		✓	\$ 1,000,000	\$ 2,000,000	Senate includes contingency rider and funding to implement Senate Bill 1475, related to establishing an enhanced Medicaid managed care consumer support system. (6.5 / 6.5 FTEs)
9. Additional Services for Persons with IDD		✓	\$ 19,798,671	\$ 46,114,579	Senate includes funding to provide respite care and non-medical transportation to individuals with intellectual and developmental disabilities.
			Conference Decisions \$ - \$ -		
			House Funding \$ 598,600,157 \$ 1,506,585,940		
			Senate Funding \$ 365,622,143 \$ 860,608,293		
DADS AND HHSC MEDICAID TOTAL					
			Conference Decisions \$ - \$ -		
			House Funding \$ 727,956,523 \$ 1,826,020,999		
			Senate Funding \$ 497,632,970 \$ 1,157,060,173		