

May 16, 2014

1:30 - 3:00 p.m. CST

### 1. General Anchor Communication

- Thank you for the work you continue to do for health care transformation in Texas.
- We mentioned in the last anchor call in response to a question that this July may be the last opportunity for a project to submit a plan modification for DYs 4 - 5. See below on PFM Protocol changes - July will not be the last opportunity in all instances.
- We also mentioned previously that projects that report in October 2014 may not be able to be paid as late as July 2015 due claiming limitations. See PFM Protocol changes below - we have clarified in the PFM that providers will be able to be paid for DY2 achievement in July 2015.

### 2. DSRIP Implementation

#### April DY3 Reporting

- The deadline for IGT Feedback has been extended to May 23<sup>rd</sup> (from May 16). The purpose of IGT feedback is to communicate with HHSC any concerns around accuracy of metric reporting. The IGT Feedback Template can be found on the waiver website on the [Tools and Guidelines for Regional Health Partnership Participants](#) page under the April DY3 Reporting documents.
- As HHSC staff have begun reviewing documentation submitted by providers in support of DY3 metric achievement, we have noticed a few issues we wanted to pass along:
  - It appears that some providers have submitted documentation related to metrics for which they are not reporting achievement. We are not reviewing documentation not related to metric achievement and it will need to be resubmitted when the metric is reported in October. If a provider wants HHSC to review the documentation for another reason, please have them send it to the waiver mailbox in June or later (since we are focused on reporting review now).
  - We have also noticed a handful of projects so far that have said they are not reporting/did not achieve metric, but did attach documentation and in some cases everything else in the reporting template makes it appear that the provider did in fact intend to report. Please ask your providers to check the sign-off summaries to make sure they selected appropriately. If there is an error, providers should let us know as soon as possible that the metric should be changed to "100% achieved" and that the metric should be reviewed.
  - If a provider only references documentation submitted during DY2 reporting to support achievement of a DY3 metric, but has not included that documentation with their DY3 reporting, they will receive an NMI for that metric (assuming they have not submitted additional documentation that demonstrates achievement of that metric) and they will need to submit that documentation during the NMI reporting period. Due to the volume of projects needing review, HHSC staff is not able to take the time to search for documentation submitted during prior reporting periods.
  - We are seeing evidence of potential PHI breaches in some documentation submitted. Please remind providers to check what they have submitted for PHI. HHSC will notify providers when we think there may be a potential PHI breach in their documentation, but the burden will be on providers to remediate any breach and notify HHSC about their

remediation plans, per the reporting Companion document.

- As a reminder, in June HHSC Rate Analysis will notify IGT Entities of the IGT required for DSRIP payments and DSRIP monitoring. The file will allow IGT Entities to enter the actual IGT amount to transfer and calculate the amounts for DSRIP payments versus DSRIP monitoring. IGT Entities must enter the correct IGT amounts in two separate categories in HSAS by RHP, otherwise payments may be delayed.

### New 3-year projects

- HHSC submitted a large batch of 3-year projects to CMS on May 2<sup>nd</sup>. Another batch is planned for today, May 16<sup>th</sup>. It looks like all RHPs will have most of their 3-year projects sent to CMS by today.
- Indications from CMS are that they may be able to issue approvals for the projects submitted by today by the end of May. Each RHP will get a single letter as before, listing all projects, which are initially approved, and which still need review.
- Projects that are not in good shape and cannot be submitted today will be revisited in June, when HHSC completes its reporting review. These lagging projects will be approved by CMS later than June, as CMS has 45 days from when HHSC submits the projects.
- Soon (sometime in May), HHSC will do the final (formal one-time) redistribution of funds across RHPs that is allowed in the PFM Protocol for the three-year projects based on a handful of additional projects that are being withdrawn. For the purposes of project submission to CMS, HHSC will leave the workbook valuations as they are currently but on the valuation and technical review spreadsheet will indicate to CMS the maximum value the provider is hoping to get for the project if funds are available. HHSC will work to update the workbooks once the final redistribution is done.

### Category 3 Review

- HHSC continues to review Category 3 selections and staff is providing TA as needed to prepare for the next step of establishing baselines for October reporting. Much of this TA will be provided in the feedback forms that all providers will receive from HHSC specific to the outcomes selected for each Category 1 or 2 project.
- HHSC has submitted an updated version of the Category 3 RHP Planning Protocol to CMS for approval, detailing the framework and outcome measures list that has been previously distributed to DSRIP stakeholders.
- There are several Category 3 specific appendices that will be attached to this protocol. Those appendices will include the finalized measure compendium documents, a detailed description of the Improvement Over Self (IOS) methodology, the list of alternate improvement activities for P4R measures, and the Category 3 Companion document. HHSC has previously distributed each of these components to DSRIP stakeholder with the exception of the IOS methodology.
- The IOS structure was outlined in the approved Category 3 framework. HHSC had added additional detail and clarification on how this methodology will be operationalized. (See the attached IOS document.)
- As noted above, HHSC is in the process of finalizing the compendium documents. Most of the changes from the draft version that was previously shared with the field are minor clean-up or formatting changes. In some instances providers have identified errors or updated specifications that will be addressed in the final version. Lastly, HHSC is updating the compendium document with benchmarks and changing measures previously designated as QISMC to IOS in instances where an appropriate benchmark could not be identified. (An updated measure list is attached which specifies the final achievement methodology for all measures.)

### Category 4

- Updates to Category 4 are included in the RHP Planning Protocol (DSRIP menu). The updates include the RD-1 through RD-3 data is provided by the Texas External Quality Review Organization (EQRO). Also included is a minimum subset to report for the optional RD-6 that has been proposed to CMS. HHSC will be confirming with RD-6 hospitals which additional measures in RD-6 are applicable to them, as each hospital will need to report measures that are applicable to its system.

### Anchor Administrative Match Protocol

- Thank you for your responses to our requests for additional information and edits to the anchor narratives.
- Responses have been received from all Anchors choosing to participate.
- The Protocol will be submitted to CMS today and HHSC is working with CMS to finalize this protocol by the end of May.
- Submission of costs for DY2 and DY3 will occur in October 2014.

### DY4/5 Valuation

- CMS has confirmed that they do not have any concerns with the DY 4-5 valuations for projects that were not flagged as state or CMS outliers. However, DY 4-5 values for any project may change based on the findings of the mid-point assessment. HHSC has received email confirmation from CMS to this point.
- CMS recommended that the compliance monitor ("independent assessor") review the qualitative justifications of the remaining 14 projects with outlier valuations as part of the mid-point assessment and make a recommendation to HHSC. If both HHSC and the independent assessor agree on a determination, then it is considered final. If HHSC and the independent assessor disagree on a determination, then CMS will make the final determination.

### DY3 IGT for DSRIP Monitoring

- Earlier this week HHSC sent an email letting anchors know that HHSC plans to request \$4 million IGT to support two forthcoming contracts – one for DSRIP compliance monitoring and one for DSRIP financial monitoring.
- The spreadsheet sent with the email shows the proportional allocation of the monitoring IGT based on the official DSRIP DY3 project values as of January 1, 2014.
- The IGT for monitoring will be requested at the time of the July DSRIP payment regardless of whether IGT is due for DSRIP payments. If the full monitoring amount is not submitted in July, then HHSC will request the remaining amount in January 2015.
- IGT changes submitted by April 30, 2014 will not impact the DY3 IGT monitoring amounts.

### PFM Protocol Changes

- As HHSC's current CMS project officer will be leaving CMS soon, we are working hard to memorialize understandings we have reached with him in the protocols so that they become part of the DSRIP record for Texas. It is important to get the Category 3 framework, allowable outcomes, and process included in both protocols as appropriate, which we are working hard to do and believe this will be done before Rob leaves next week.
  - HHSC will provide to the anchors and the Executive Waiver Committee today a draft of the PFM Protocol that we've been discussing with CMS. While this isn't final yet, we have agreed to the language at the staff level. Some of the key changes:
    - The Category 3 information has been substantially revamped to reflect the revised Category 3 framework.
    - There are many references to the "independent assessor," which refers to the DSRIP compliance monitor HHSC plans to bring on board in the next 1-2 weeks. Given the scope
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of TX DSRIP and CMS resource limitations, we will rely on the assessor going forward (in lieu of CMS) to double check HHSC's review work on new projects, plan mods, etc. Issues only will be elevated to CMS for a decision if there's a discrepancy between the assessor's recommendation and HHSC's decision.

- Regarding plan mods, after July there will be DY4-5 plan mod opportunities during the midpoint assessment only if initiated by HHSC/the compliance monitor as part of the midpoint assessment process. There also will be limited opportunities to modify plans during DY4 to be effective for DY5 only (for 3 year projects and Cat 3 only).
- Regarding DSRIP payment, the revised protocol clarifies that DSRIP payments may be made up to two years after the end of the DY (e.g. for DY2, which ended 9/30/13, payments could be made no later than 9/30/15).
- Regarding project withdrawals, the protocol now specifies what may be recouped. All providers that have withdrawn a project to date will be given the opportunity to continue the project through the midpoint assessment to avoid recoupment, in which case the funds from that project will not be available for three year projects. \*\*As a reminder, until a project withdraws, it is required to complete semi-annual DSRIP reporting (qualitative) in order to earn funds and avoid recoupment of previous funds. If a project that withdrew between October and now decides to continue, it will not be required to do semi-annual reporting for April 2014 since that has passed, but would be required to in October and going forward even if not reporting for payment.
- CMS added several new requirements to the PFM Protocol regarding data validity and accuracy and managed care alignment (at the end of the document), and also about the posting of the most recent RHP plans/projects and plan mod requests on the RHP website. CMS wants the public to have a place they can go to see DSRIP information for each RHP. HHSC realizes the complexity of this, so will work with you to implement.

### Redistribution of Funds for 3-Year Projects

- HHSC plans to complete the final redistribution of funds for 3-year projects soon. To do that, we will need to confirm with a handful of withdrawn projects whether they want to confirm their withdrawals at this time, knowing any paid DY1-2 funds for that project will be recouped.

### Other Information for Anchors

- Thank you for your invitations for RHP Learning Collaborative events and site visits. We are beginning to visit DSRIP projects and plan to continue to do so. We have really appreciated the work that is going on in the field and recognize the importance of seeing the projects in action. We will also attend as many of your learning collaboratives as we can, while still covering other tasks.
- In order to organize these invitations, Sherri Richardson on the waiver team is the designated contact. Please send invitations to the waiver mailbox, noting "Site Visit request" or "Learning Collaborative request" in the subject line and Sherri will coordinate the response.

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*For waiver questions, email waiver staff: [TXHealthcareTransformation@hhsc.state.tx.us](mailto:TXHealthcareTransformation@hhsc.state.tx.us).*

*Include "Anchor:" followed by the subject in the subject line of your email so staff can identify your request.*