



2023 State Legislative Priorities

Rate Reimbursement:

- ❖ **Increase Medicaid reimbursement rates for home care attendants to capture cost-savings for long-term care demands.**

The Texas Legislature and Health and Human Services Commission determine personal care attendant rates in Texas. The state has failed to set a sustainable rate to support the industry for more than 16 years. The Texas Legislature must invest in cost-saving health care measures now to prepare for a growing and aging population. Community-based home care is one-third the cost of nursing homes and reduces emergency department visits and hospitalizations. By increasing funding for home care, the state would save approximately \$22.8 billion in Medicaid funds through 2031, and ensure meaningful support for families struggling to get access to the services they need.¹ There are two key components to the home care rate that must be addressed: 1) The home care industry needs a pathway to increase the community attendant wage to address the workforce shortage, and 2) For decades, home care providers have had to carry the financial burden of state and federal mandates. To comply with growing regulatory requirements, home care providers need a 20% increase in their administrative reimbursement.

Recommendations: 1) Provide a rate increase for agencies to increase attendant wages; 2) Ensure all attendant programs have access to a wage enhancement program; 3) Increase administrative portion of the rate by 20% to fully comply with state and federal program mandates; and 4) Create the community care payment advisory committee to ensure the sustainability of rates.

- ❖ **Preserve and protect current Texas Health Steps Nursing (Private Duty Nursing) and Medicaid pediatric therapy rates to ensure access to care in accordance with state and federal standards.**

Private Duty Nursing (PDN) is a cost-containment solution to health care for medically complex children, who would otherwise reside in a hospital or institution. HHSC reports the current reimbursement rate for this program is 6.5% below the Medicaid allowable costs incurred by providers. If the legislature does not act now, PDN will have gone more than 13 years without an increase to overall reimbursement.

Recommendations: 1) Provide a rate increase; 2) Ensure 100% of legislative rate increases are passed through to providers; and 3) Support the creation of a certified health aide program to ensure greater access to PDN.

Managed Care Initiatives:

- ❖ **Improve Medicaid managed care, transparency, processes, and accountability.**

Texas now serves 94% of its Medicaid population in managed care. Many providers contract with multiple MCOs and face increased administrative costs, inefficiencies, and payment delays. There is little to no consistency in claims payment or authorization processes across MCOs.

Recommendation: 1) Require MCOs to pay clean claims within 10 days of filing, which is in line with other Medicaid providers. 2) require MCOs to report to HHSC home care specific data regarding claims payment timelines and utilization of hours. 3) Provide enhanced coordination of care in relation to patient care and assessments.

Licensure and Regulatory:

- ❖ **Streamline existing licensure and regulatory requirements for services provided in the home or community.**

Recommendations: 1) Support streamlined licensure and regulatory requirements for Texas HCSSAs that remove unnecessary regulatory burdens that encumber quality care. 2) Support improved alignment of Medicaid rates with regulatory requirements. 3) Support increased transparency from HHSC related to EVV contracting changes.

¹ The Impact of Maintaining a Viable Home Care and Hospice System on Business Activity in Texas. The Perryman Group. September 2022.

Community Care Advisory Council and Strategic Plan SB 663 by Sen. Charles Perry and HB 1798 by Rep. Donna Howard

In order to address the long standing problem of inadequate community care funding that has a direct impact on workforce and client access to care, the Health and Human Services Commission (HHSC) must create a viable and sustainable payment methodology. The purpose of **SB 663 | HB 1798** is to 1) Require HHSC to create a home and community-based services payment advisory committee, and 2) Require HHSC to develop and implement a strategic plan to ensure network adequacy to fully capture cost-savings of community-based programs.

With this legislation, HHSC will be able to develop a viable community care payment methodology in collaboration with stakeholders, in order to create a sustainable strategy that will support the community care safety net. As part of the methodology, stakeholders will be able to consider innovations such as pay for quality programs to support quality and cost effective care. By establishing this advisory committee, HHSC will also benefit from stakeholder knowledge and expertise as they develop a long-term payment solutions, and avoid the current crisis providers of community care services are facing.

SB 663 | HB 1798 would require HHSC to:

- Establish the home and community-based services advisory committee as an advisory committee or a subcommittee of the medical care advisory committee, and
- Develop and implement a strategic plan to ensure that enrollees have adequate access to home and community-based services provided by a home and community support services agency

HHSC has already established a Hospital Payment Advisory Committee, as well as a Nursing Home Payment Advisory Committee, and both have proven their value in obtaining industry engagement in solutions to complex issues surrounding payments. Given the out-sized role community care plays in Medicaid, it would benefit HHSC as well as the industry to engage on a regular basis on payment issues and to develop a strategic plan to prepare for a growing and aging Texas.

Support the Community Care Advisory Council and Access to Community Care Strategic Plan