



City of San Antonio

Agenda Memorandum

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Agenda Item Number: 16.

Agenda Date: 2/15/2018

In Control: City Council A Session

DEPARTMENT: Health

DEPARTMENT HEAD: Colleen M. Bridger, MPH, PhD

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Authorizing Continued Participation in the 1115 Medicaid Waiver

SUMMARY:

This Ordinance authorizes the San Antonio Metropolitan Health District's (Metro Health's) continued participation in the 1115 Medicaid Waiver Program, submission of intergovernmental funding transfers (IGT) in an amount up to \$16,928,278.00, acceptance of IGT reimbursement payments, and the acceptance of up to \$22,935,794.00 in federal incentive payments from the 1115 Medicaid Waiver Program.

This Ordinance also authorizes the submission of two non-reimbursable IGT payments in the amount of \$35,000 per year, for a cumulative total not to exceed \$70,000.00, to the Waiver Program for monitoring and compliance for a period ending September 30, 2019.

In addition, this Ordinance authorizes revised program budgets and personnel complements to convert a total of 24 City temporary staff positions to full-time grant positions for the following Metro Health Waiver programs: Oral Health, Operations, Healthy Neighborhoods and Stand Up SA for the current program year (Demonstration Year 7), ending September 30, 2018.

Furthermore, this Ordinance authorizes operational and program budgets and personnel complements to support Metro Health's 1115 Medicaid Waiver funded programs for Demonstration Year 8, beginning October 1, 2018 through September 30, 2019 as outlined below:

- Diabetes prevention and management
- Children’s school based oral health
- STD/HIV prevention
- Baby Café breastfeeding promotion
- Teen pregnancy prevention
- Healthy Neighborhoods
- Stand Up SA
- Operations (for internal operational support)

Metro Health’s participation in the 1115 Medicaid Waiver program serves a legitimate public purpose in that this funding will support improved health outcomes in Bexar County. This action also authorizes other related items in order to continue funding for program operations to include, incidental expenditures for program participants.

BACKGROUND INFORMATION:

On January 31, 2013, City Council authorized the submission of six (6) project proposals for consideration and funding as part of the “Texas Healthcare Transformation and Quality Improvement Program” or “1115 Medicaid Waiver Program.” The 1115 Medicaid Waiver created two funding pools in Texas for Uncompensated Care reimbursement for hospitals and the Delivery System Reform Incentive Payment (DSRIP) pool program. The DSRIP program provides incentive payments for hospitals and other providers who make investments in delivery system reforms that increase access to healthcare, improve the quality of care, and enhance population health.

Six programs in the areas of diabetes prevention, children’s oral health, HIV and Syphilis prevention, breastfeeding promotion, teen pregnancy prevention and neighborhood health were originally approved by the Health and Human Services Commission (HHSC) for funding through the DSRIP pool in two phases of approvals, in 2013. The initial demonstration period and subsequent 15 month extension period of the 1115 Medicaid Waiver came to an end on December 31, 2017.

On September 21, 2017, in anticipation of another extension of the 1115 Medicaid Waiver Program, City Council authorized program budgets and personnel complements for FY 2018 and approved the addition of a seventh (7th) program funded through Metro Health’s 1115 Medicaid Waiver reserve funds, to implement the Stand Up SA program.

At this time, these personnel complements included City temporary staff positions to support the following Metro Health Waiver programs: Oral Health, Operations, Healthy Neighborhoods and Stand Up SA. Additionally, the department planned to convert these temporary positions to full-time grant positions if the extension of the Waiver Program was approved by CMS.

On December 21, 2017, the Centers for Medicare and Medicaid Services (CMS) announced a five-year extension of the 1115 Medicaid Waiver Program. CMS authorized continued funding for four years, out of the five year extension, for the DSRIP program. The first two years of the extension (October 1, 2017 through September 30, 2019) remain at current funding levels.

Therefore, Metro Health seeks City Council authorization to continue participation in the 1115 Medicaid Waiver Program for a period ending September 30, 2019. In addition, Metro Health requests City Council approve the revised program budgets and authorize the department to convert 24 existing City temporary staff

positions to full-time grant positions for four (4) of Metro Health's Waiver programs for the current program year (Demonstration Year 7), ending September 30, 2018.

The department also requests the approval of operational and program budgets and personnel complements to support Metro Health's 1115 Medicaid Waiver funded programs for demonstration year 8, beginning October 1, 2018 through September 30, 2019.

ISSUE:

On December 21, 2017, CMS approved a five year extension of the Texas Medicaid 1115 Waiver. CMS authorized continued funding for four years, out of the five year extension, for the DSRIP program with the first two years (October 1, 2017 through September 30, 2019) remaining at current funding levels.

This Ordinance authorizes Metro Health's continued participation in the 1115 Medicaid Waiver Program through September 30, 2019; the Ordinance also authorizes revised program budgets and authorizes the department to convert 24 existing City temporary staff positions to full-time grant positions to support the following Metro Health Waiver programs: Oral Health, Operations, Healthy Neighborhoods and Stand Up SA for the current program year, ending September 30, 2018.

The Ordinance further authorizes program budgets and personnel complements for Metro Health's 1115 Medicaid Waiver funded programs for demonstration year 8, beginning October 1, 2018 through September 30, 2019.

ALTERNATIVES:

Should City Council choose not to approve this Ordinance, the department will forfeit access to incentive payments worth up to \$22,935,794.00 for demonstration years seven (7) and eight (8) as well as future participation in the 1115 Medicaid Waiver Program.

In addition, should City Council choose not to approve the revised program budgets and personnel complements for the Oral Health, Operations, Healthy Neighborhoods and Stand Up SA programs, the department would have to continue operating based on budgets previously approved by City Council on September 21, 2017, utilizing 1115 Medicaid Waiver reserve funds. The department would also be unable to transition key staff to full-time grant employees who are currently implementing program activities as temporary employees.

FISCAL IMPACT:

This Ordinance authorizes continued participation in the 1115 (a) Medicaid Demonstration Waiver Program known as the "Texas Healthcare Transformation and Quality Improvement Program" (the Waiver Program), the submission of intergovernmental funding transfers (IGT) in an amount up to \$16,928,278.00, acceptance of IGT reimbursements, and the acceptance of up to \$22,935,794.00 in federal incentive payments from the Waiver Program for a period ending September 30, 2019.

The Ordinance also approves two non-reimbursable IGT payments using general fund dollars in the amount of \$35,000 per year, for a cumulative total not to exceed \$70,000.00, to the Waiver Program for monitoring and compliance for a period ending September 30, 2019.

In addition, the Ordinance authorizes revised program budgets and authorizes 76 positions for the Oral Health, Operations, Healthy Neighborhoods and Stand Up SA programs for the current program year (Demonstration Year 7), ending September 30, 2018, and authorizes operational and program budgets and personnel complements to support Metro Health's 1115 Medicaid Waiver funded programs for demonstration year 8, beginning October 1, 2018 through September 30, 2019. The change in the position count from 52 to 76 will allow the department to convert 24 existing City temporary staff positions to full-time grant positions.

An overview of the programs and associated budgets are as follows:

Program	Initial FY 2018 Authorized Positions	Initial FY 2018 Program Budget	Revised FY 2018 Authorized Positions	Revised FY 2018 Program Budgets	Total Program FY 2019
Diabetes prevention and management	10	\$1,119,528	10	\$1,118,928	\$1,116,123
Children's school based oral health	2	\$2,004,422	15	\$1,910,671	\$1,945,586
STD/HIV prevention	14	\$1,237,684	14	\$1,237,684	\$1,262,989
Baby Café breastfeeding promotion	6	\$472,910	4	\$472,910	\$482,028
Teen pregnancy prevention	1	\$900,456	1	\$900,456	\$902,926
Healthy Neighborhoods	2	\$1,616,857	14	\$994,552	\$1,117,437
Stand Up SA	0	\$509,999	1	\$595,097	\$612,868
Operations (internal operational support)	17	\$2,059,484	17	\$2,092,371	\$2,098,385
Total FY Budget's	52	\$9,921,340	76	\$9,322,669 *	\$9,538,342 *

*Any funds received over and above the amounts authorized for the programs above will be held in the 1115 Waiver reserve account.

RECOMMENDATION:

Staff recommends approval of the Ordinance authorizing Metro Health's continued participation in the 1115 Medicaid Waiver Program, the submission of IGT payments and acceptance of IGT reimbursements, and the acceptance of federal incentive payments to continue the operation of Metro Health's 1115 Medicaid Waiver funded programs through September 30, 2019.

In addition, staff recommends the approval of revised program budgets and authorization to convert 24 existing City temporary staff positions to full-time grant positions for the Oral Health, Operations, Healthy Neighborhoods and Stand Up SA programs for the current program year, ending September 30, 2018; and, approval of operational and program budgets and personnel complements for Metro Health's 1115 Medicaid Waiver funded programs as listed above for demonstration year 8, beginning October 1, 2018 through September 30, 2019.