



City of San Antonio

Agenda Memorandum

File Number: 19-1671

Agenda Item Number: 14.

Agenda Date: 2/14/2019

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 \$7,536,983.78, acceptance of IGT reimbursement payments, and the acceptance of up to \$11,207,069.40 in federal incentive payments from the 1115 Medicaid Waiver Program.

This Ordinance also authorizes the submission of a non-reimbursable IGT payment in the amount of \$35,000 to the Waiver Program for monitoring and compliance.

Furthermore, this Ordinance authorizes operational and program budgets and personnel complements to support Metro Health's 1115 Medicaid Waiver funded programs for Demonstration Year nine (9), beginning October 1, 2019 through September 30, 2020 as outlined below:

- Diabetes prevention and management
- Children's school based oral health
- STD/HIV prevention
- 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. In 2017, City Council authorized the addition of a seventh (7th) program to be funded through Medicaid Waiver reserve funds to continue implementation of the Stand Up SA program.

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) remained at current funding levels with a reduction of 5% and 20% respectively in demonstration years nine (9) and ten (10) (October 1, 2019 through September 30, 2021). By continuing to participate in the Waiver Program, Metro Health will continue to earn incentive payments from October 2019 - September 2021 and has additional Waiver funds to support these projects through 2023.

Metro Health now seeks City Council authorization to continue participation in Demonstration Year nine (9) of the 1115 Medicaid Waiver Program. The department also requests the approval of operational and program budgets and personnel complements to support Metro Health’s 1115 Medicaid Waiver funded programs.

ISSUE:

Through this Ordinance, Metro Health seeks continued participation in Demonstration Year nine (9) of the 1115 Medicaid Waiver Program and authorization of program budgets and personnel complements for Metro Health’s 1115 Medicaid Waiver funded programs for a period beginning October 1, 2019 through September 30, 2020. Metro Health will continue to earn incentive payments through the Waiver Program from October 2019 - September 2021 and has additional Waiver funds to support these projects through 2023.

ALTERNATIVES:

Should City Council choose not to approve this Ordinance, the department will forfeit access to incentive payments worth up to \$11,207,069.40 for demonstration year nine (9) as well as future participation in the 1115 Medicaid Waiver Program.

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 \$7,536,983.78, acceptance of IGT reimbursements, and the acceptance of up to \$11,207,069.40 in federal incentive payments from the Waiver Program for a period ending September 30, 2020.

The Ordinance also approves a non-reimbursable IGT payment using general fund dollars in an amount not to exceed \$35,000 to the Waiver Program for monitoring and compliance for a period ending September 30, 2020.

In addition, the Ordinance authorizes program budgets and an associated personnel complement of 84 positions that support Metro Health’s 1115 Waiver funded programs. This includes a request to convert (1) part-time position (Supervisor in Stand Up SA) to full-time. The overall impact to convert this position is \$27,567.00; however, due to efficiencies identified within the program, there is an overall budget decrease of \$3,257.00 from FY19.

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

| Program | FY 2019 Authorized Positions | FY 2019 Program Budgets | Revised FY 2020 Authorized Positions | Revised FY 2020 Program Budgets |
|---|-------------------------------------|--------------------------------|---|--|
| Diabetes prevention and management | 10 | \$1,116,123 | 10 | \$1,061,503 |
| Children’s school based oral health | 15 | \$1,945,586 | 14 | \$1,616,433 |
| STD/HIV prevention | 14 | \$1,262,989 | 14 | \$1,202,779 |
| Baby Café breastfeeding promotion | 4 | \$482,028 | 0 | \$0* |
| Teen pregnancy prevention | 1 | \$902,926 | 1 | \$746,345 |
| Healthy Neighborhoods | 14 | \$1,117,437 | 14 | \$1,120,952 |
| Stand Up SA | 13 | \$612,868 | 13 | \$609,611 |
| Operations (internal operational support) | 17 | \$2,098,385 | 18 | \$2,202,885 |
| Total FY Budget’s | 88 | \$9,538,342 | 84 | \$8,560,507.09** |

*It is anticipated that the Baby Café Program will be sustained through funding provided by the Texas Health

and Human Services Commission effective no later than September 30, 2019.

**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, 2020.

In addition, staff recommends the approval of operational and program budgets and personnel complements for Metro Health's 1115 Medicaid Waiver funded programs as listed above for demonstration year 9, beginning October 1, 2019 through September 30, 2020.