



# City of San Antonio

## Agenda Memorandum

**File Number:**14-1311

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**Agenda Item Number:** 18.

**Agenda Date:** 6/19/2014

**In Control:** City Council A Session

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**DEPARTMENT:** Health

**DEPARTMENT HEAD:** Dr. Thomas L. Schlenker

**COUNCIL DISTRICTS IMPACTED:** City Wide

### **SUBJECT:**

Texas Medicaid 1115 Waiver TB Project

### **SUMMARY:**

This Ordinance will authorize the acceptance of funds from the Texas Department of State Health Services in an amount up to \$1,531,191.00 for a period beginning July 1, 2014 through September 30, 2015 for the San Antonio Metropolitan Health District's (Metro Health's) participation in the Tuberculosis Identification and Treatment Project (TB project) related to the Texas Medicaid 1115 Waiver and authorizing a budget, personnel complement, and all other related items. The Director of Metro Health is further authorized to execute contract amendments pertaining to a) line item budget revisions authorized by the funding agency; b) modifications to the performance measures authorized by the funding agency and listed in the contracts so long as the terms of the amendment stay within the general parameters of the grant's intention; c) no cost extensions; d) amendments which will provide supplemental grant funds to a grant by the funding agency in an amount up to 20% of the total amount initially awarded to the grant; e) amendments funding one time equipment purchases or defined program services; and f) changes in State or Federal regulations mandated by the funding agency.

In addition, this Ordinance also appoints the Director of Metro Health, Thomas L. Schlenker, M.D., M.P.H., as Authorizing Official for the U.S. Department of Health and Human Services, Health Resources and Services Administration's 340B Drug Pricing Program (340B Program). Pursuant to the Public Health Service Act, Section 340B, the 340B Program requires drug manufacturers to provide outpatient drugs to eligible health care organizations/covered entities at significantly reduced prices. The 340B Program enables covered entities to stretch scarce Federal resources as far as possible, reaching more eligible patients and providing more comprehensive services. This appointment will allow Metro Health to continue to purchase outpatient drugs at discounted 340B prices for TB and other Metro Health patients.

## **BACKGROUND INFORMATION:**

On January 31, 2013, City Council authorized the submission of six project proposals for consideration and funding through the new Delivery System Reform Incentive Payment (DSRIP) arm of the “Texas Healthcare Transformation and Quality Improvement Program” or Texas Medicaid 1115 Waiver. Metro Health carefully selected projects in the following areas: diabetes prevention, children’s oral health services, HIV and Syphilis prevention, breastfeeding promotion, teen pregnancy prevention and neighborhood health promotion. All six projects were approved for funding through two phases of approvals in April and September of 2013.

Recently, Metro Health was contacted by the Texas Department of State Health to assist with implementation of a seventh Medicaid 1115 Waiver project focused on targeted testing and treatment for latent tuberculosis infection (LTBI) in high risk populations. This project will be implemented in partnership with the Texas Department of State Health Services Region 8, The Texas Center for Infectious Disease (TCID) and the Heartland National TB Center.

Metro Health’s Tuberculosis Branch currently serves individuals through TB surveillance and registry, contact investigations, and both in-patient and out-patient clinical services. Each year between 70-90 TB cases in Bexar County are reported, over 4,800 annual TB clinic visits occur in the clinic, and approximately 8,500 field investigations (Directly Observed Therapy and Contact Investigations) are conducted in Bexar County. Over the past several years, Metro Health has seen anywhere from 55 percent to nearly 67 percent of all the TB cases in the Texas Department of State Health Services Region 8, which covers a total of twenty-eight counties. Region 8 has a combined population of 3 million with 1.7 million people living in Bexar County.

The Medicaid 1115 Waiver TB Project will utilize several components that will work in conjunction to support the project goal.

1. Increase targeted testing for latent tuberculosis testing for latent tuberculosis infection (LTBI) in high risk populations
2. Provide routine testing for LTBI with interferon gamma release assays (IGRAs) instead of tuberculin skin testing to minimize false positive tests in BCG vaccinated patients and avoid unnecessary LTBI therapy
3. Provide routine treatment of LTBI through a 12 dose, 12 week regimen administered by Directly Observed Therapy (DOT) to improve patient adherence and completion of LTBI therapy
4. Facilitate hospitalization for TB care of those few patients who cannot be successfully treated as outpatients
5. Enhance quarantine procedures for addressing problematic TB cases which pose a threat to the community

The Medicaid 1115 Waiver TB Project will utilize nurse case managers, community outreach workers, patient navigators and other partners to implement this project in Bexar County with the overall goal of serving as a model of case identification and treatment delivery that is effective in reducing the spread of the disease while providing better health outcomes and reduced hospitalization costs for the treatment of TB.

## **ISSUE:**

TB continues to be a significant and expensive public health problem in Texas. In 2012, there were 1,233 cases

of TB disease reported in Texas, a rate of 4.7 per 100,000 population. TB can strike anyone, but is more likely to be found in those born in a foreign country, people with diabetes, people with HIV/AIDS, the homeless, and those that work in health care. Many individuals in this population also are uninsured and lack access to appropriate treatment and care. Alcohol abuse is associated with more than 17 percent of TB cases and 5 percent of cases are associated with detention facilities. For U.S. born citizens, there is an alarming disparity in TB incidence rates between whites and minority communities. In Texas, 52 percent of reported TB cases in 2012 were among Hispanics, 18 percent were among African Americans, 13 percent were among Whites, and 17 percent were among Asians.

The Tuberculosis and Refugee Health Services Branch-Corrections Program Annual Correctional TB Screening Activity Report for 2013 shows over 30,000 inmates being administered TST screening tests with over 900 of those being positive latent infections. The majority do not receive follow-up for LTBI. In addition, the University Health System Refugee Health Clinic in 2012-13 screened 850 refugees and identified 109 refugee clients with LTBI. However, it is difficult to track these refugee clients under the present system and many do not get follow-up treatment putting them at increase risk of developing active tuberculosis. Enhancing the tuberculosis program will assure better care for these high risk populations.

#### **ALTERNATIVES:**

Should the ordinance not be approved, Metro Health would forgo funding for the implementation of the Medicaid 1115 Waiver TB project therefore passing on an opportunity for increased targeted testing and treatment for latent tuberculosis infection (LTBI) in Bexar County. In addition, should the appointment of an Authorizing Official not be made, Metro Health will not be eligible to continue to purchase outpatient drugs at discounted 340B prices. In order to remain in compliance with 340B Program requirements, Metro Health must appoint an individual from within the organization to ensure that the Authorizing Official has knowledge of the practices and eligible programs at that site.

Authorization of this ordinance will allow Metro Health to work toward meeting the challenges and critical need for enhanced, targeted Tuberculosis prevention, control and treatment strategies and allow Metro Health to move forward with the implementation of goals set forth in the department strategic plan.

#### **FISCAL IMPACT:**

Metro Health is requesting City Council authorization of the acceptance of funds from the Texas Department of State Health Services in an amount up to \$1,531,191.00 for a period beginning July 1, 2014 through September 30, 2015 for the San Antonio Metropolitan Health District's participation in the Tuberculosis Identification and Treatment Project (TB project) related to the Texas Medicaid 1115 Waiver.

In addition, this ordinance will authorize a program budget and personnel complement of eight new positions. This grant does not require a cash match and there is no impact on the General Fund.

#### **RECOMMENDATION:**

Staff recommends approval of an ordinance authorizing the acceptance of funds from the Texas Department of State Health Services in an amount up to \$1,531,191.00 for a period beginning July 1, 2014 through September 30, 2015 for the San Antonio Metropolitan Health District's participation in the Tuberculosis Identification and Treatment Project related to the Texas Medicaid 1115 Waiver and authorizing a budget, personnel complement, and all other related items. Staff also recommends the appointment of the Director of Metro Health, Dr. Thomas L. Schlenker, as Authorizing Official for the U.S. Department of Health and Human Services, Health Resources and Services Administration's 340B Drug Pricing Program.

