

Texas Hospital Association
Medicaid Hospital Initiatives Under Consideration
April 6, 2011



Initiative	Instrument(s)	Medicaid Inpatient Payments	Medicaid Outpatient Payments	Medicaid DSH Payments	Medicaid UPL Payments	Medicaid MCO Payments to Hospitals
Managed Care Expansion	Budget Rider(s) & Proposed Medicaid Waiver				X \$850 Million / year	X Conversion of payments
Inpatient Rate Rebasing	Budget Rider & HB3744	X				X Rates Passed Thru
Limit Hospital Payments Paid by Medicaid MCO	\$450M Budget Rider 61					X
Medicaid Payments for Capital Expenditures	Proposed Rule – 6/23/2011 Council Review HHSC presented rule prohibiting UPL and DSH payments for capital assets			X	X	
Emergency Room Payments	\$450M Budget Rider 61 & Proposed Rule – 40% Reduction non-emergent care & Senate Bill 7		X			X Policy Passed Thru
Global Medicaid Rate Reduction	H.B. 1 - 10% Reduction & \$4.3 billion ARRA FMAP unresolved	X	X			X Rates Passed Thru
Quality Based Payment Initiatives	Senate Bill 7 & \$450M Budget Rider 61 & Proposed Waiver	X	X	X	X	X Passed Thru
Neo-natal Care Management	\$450M Budget Rider 61	X				X

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Initiative	Vehicle(s) & Status	Medicaid Inpatient Payments	Medicaid Outpatient Payments	Medicaid DSH Payments	Medicaid UPL Payments	Medicaid MCO Payments to Hospitals
Medicaid DSH Adjustments	Proposed Rule – 6/23/2011 Council Review HHSC Contemplating Update for 2010 census data and update weights			X	Closely Linked	
Medicaid DSH Audit	Clifton Gunderson Audit 2005-2007 Several hospitals with DISPUTED multi-million limit violation			X	Closely Linked	
Quality Assurance Fee	TBD	X	X	X	X	X
Payment Denial for early C-Sections	Duplicate Bills	X				X Policy Passed Thru
Implement APR-DRGs	HB3744 & HHSC Stated Policy	X				X Some Adoption of Policy
Implement Outpatient PPS	\$450M Budget Rider 61		X			X
Collect Medicaid Co-Pays	\$450M Budget Rider 61	X	X			X
Medicaid Bundled Payments	H.B. 1 Rider	X	X			Possible
Children’s Hospital UPL	Eliminated from budget/Partial Restoration				X	