



City of San Antonio

Agenda Memorandum

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Agenda Date: January 27, 2022

In Control: City Council A Session

DEPARTMENT: Health Department

DEPARTMENT HEAD: Claude Jacob

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Authorizing Continued Participation in the Medicaid 1115 Waiver

SUMMARY:

This Ordinance authorizes the San Antonio Metropolitan Health District's (Metro Health's) continued participation in the Medicaid 1115 Waiver Program, submission of intergovernmental funding transfers (IGT) in an amount up to \$4,810,139.09, acceptance of IGT reimbursement payments, and the acceptance of up to \$9,766,039.96 in federal incentive payments from the Medicaid 1115 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 Medicaid 1115 Waiver funded programs for Demonstration Year twelve (12), beginning October 1, 2022 through September 30, 2023 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 Medicaid 1115 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.

Finally, this ordinance authorizes the Director of Metro Health to execute Memoranda of Agreement (MOA) that enhance program services with no exchange of funds associated with these grant-funded programs, including Data Use Agreements and Business Associate Agreements.

BACKGROUND INFORMATION:

On January 31, 2013, City Council authorized the submission of six (6) program proposals for consideration and funding as part of the "Texas Healthcare Transformation and Quality Improvement Program" or "1115 Medicaid Waiver Program." The Medicaid 1115 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 Medicaid 1115 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).

On September 7, 2021, HHSC reported that they accepted CMS' offer to continue DSRIP for one year and would submit a Waiver amendment to extend DSRIP in the amount of \$2.49 billion, which is the DSRIP funding amount for the demonstration year (DY) ending September 30, 2021. By continuing to participate in the Waiver Program, Metro Health will continue to earn incentive payments through September 2023 and has additional Waiver funds to support these programs through September 2027.

Metro Health now seeks City Council authorization to continue participation in Demonstration Year twelve (12) of the Medicaid 1115 Waiver Program. The department also requests the approval of operational and program budgets and personnel complements to support Metro Health's Medicaid 1115 Waiver funded programs.

Frequently Metro Health requests City Council authorize agreements with agencies for the provision of services relating to Metro Health programs and projects. Many times these agreements do not include the exchange of funds between the City and these agencies; however, the execution of these agreements does require City Council action. The Department requests authorization for the Director of Metro Health to execute MOAs, to include Data Use Agreements and Business Associate Agreements, with no exchange of funds that enhance programs or services associated with these programs.

ISSUE:

Through this Ordinance, Metro Health seeks continued participation in Demonstration Year twelve (12) of the Medicaid 1115 Waiver Program and authorization of program budgets and personnel complements for Metro Health's Medicaid 1115 Waiver funded programs for a period beginning October 1, 2022 through September 30, 2023. Metro Health will continue to earn incentive payments through the Waiver Program from October 2021 – September 2023 and has additional Waiver funds to support these projects through September 2027.

ALTERNATIVES:

Should City Council choose not to approve this Ordinance, the department will forfeit access to incentive payments worth up to \$9,766,039.96 for demonstration year twelve (12) as well as future participation in the Medicaid 1115 Waiver Program.

FISCAL IMPACT:

This Ordinance authorizes continued participation in the Medicaid 1115 (a) 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 \$4,810,139.09, acceptance of IGT reimbursements, and the acceptance of up to \$9,766,039.96 in federal incentive payments from the Waiver Program for a period ending September 30, 2023.

The Ordinance also approves a non-reimbursable IGT payment using general fund dollars in an amount not to exceed \$35,000.00 to the Waiver Program for monitoring and compliance for a period ending September 30, 2023.

In addition, the Ordinance authorizes program budgets and an associated personnel complement of 90.5 positions that support Metro Health's Medicaid 1115 Waiver funded programs.

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

Program	Revised FY 2022 Authorized Positions	Revised FY 2022 Program Budgets	Revised FY 2023 Authorized Positions	Revised FY 2023 Program Budgets
Diabetes prevention and management	9	\$880,285	9	\$819,112
Children's school based oral health	13	\$1,164,111	13	\$1,220,790
STD/HIV prevention	13	\$976,540	13	\$1,080,048
Teen pregnancy prevention	1	\$546,241	1	\$556,597
Healthy Neighborhoods	12	\$767,922	12	\$848,170
Stand Up SA	12	\$479,367	12	\$510,827
Operations (internal operational support)	21	\$1,780,419	30.5	\$2,600,469
Total FY Budget's	81	\$6,594,885*	90.5	\$7,636,013*

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

Finally, this ordinance authorizes the execution of MOAs with no exchange of funds that enhance programs and services associated with these programs, funded by the Medicaid 1115 Waiver.

RECOMMENDATION:

Staff recommends approval of the Ordinance authorizing Metro Health's continued participation in the Medicaid 1115 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 Medicaid 1115 Waiver funded programs through September 30, 2023.

In addition, staff recommends the approval of operational and program budgets and personnel complements for Metro Health's Medicaid 1115 Waiver funded programs as listed above for Demonstration Year twelve (12), beginning October 1, 2022 through September 30, 2023; and authorization for the Director of Metro Health to execute MOAs that enhance programs and services where there is no exchange of funds associated with these grant programs.