



TEACHING HOSPITALS *of* TEXAS

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GME Affiliate

RIO GRANDE VALLEY - EDINBURG
Doctors Hospital at Renaissance

October 1, 2020

House Select Committee on Statewide Health Care Costs
Texas Capitol
Austin, TX 78701

RE: Interim Charge 2 - Study the opportunities to better coordinate how public dollars are spent on health care

Chair Bonnen and Members of the Committee,

Thank you for the opportunity to provide information on the Interim Charge 2. The Teaching Hospitals of Texas members include large public urban teaching hospitals and several affiliated non-profit health systems sharing three core commitments. They provide quality care to all, in particular vulnerable Texans; prepare for and provide trauma and disaster services and care; and support Texas' health care workforce and graduate medical education as well as clinical and delivery system research and transformation.

Public dollars are spent through appropriations to Medicaid and CHIP as well as for TRS and ERS, but also includes funding for criminal justice healthcare and public health support. Texas now separately funds a variety of investments in the health of Texans that, with coordination or targeted dissemination, may yield improved health or improved savings for the state. Below we highlight several areas and examples for the Committee's consideration. Coordination in some areas may be constrained since programs are largely operated through managed care companies, but opportunities may still exist.

1. **Service and purchasing coordination** – Past work has considered for example bulk purchasing for lower prices of pharmaceuticals and durable medical equipment. COVID-19 has emphasized telehealth and related resources and infrastructure as a critical component of health systems. Texas could explore how it can support telehealth in its programs including telehealth coverage policies and purchasing telehealth platforms potentially to make them available at lower prices for state and publicly operated local programs. In addition, Texas has telehealth experts in its institutions and that expertise could be leveraged and purchased to support telehealth policy and design in the state's programs.

Similarly purchasing of nurse health lines among large cohorts of state financed insurance could help improve accessibility at lower cost and could be offered for buy in to smaller local health and even public health programs that are publicly operated. Finally, investments in HIE platforms among programs may provide another

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opportunity not only for improvements within individual programs, but among programs to support member coordination as described below.

2. **Member coordination-vertical integration** between ERS/TRS, Medicaid CHIP, criminal justice, and locally funded public programs. Vertical integration in coverage programs describe health coverage from public programs for individuals with lower incomes through employer and commercial programs like ERS/TRS and publicly funded local programs. Texas has two opportunities here. First, to ensure that employees and covered individuals in ERS/TRS programs are assessed for Medicaid/CHIP eligibility to reduce state-only funded costs of care. Second as Texans' circumstances change potentially moving from ERS/TRS employment to loss of employment and insurance, being able to connect protected health data between state funded programs could help with case management and coordination between state funded programs.
3. **Innovation dissemination, wellness, addressing health equity and social determinants in care.** Texas also supports innovation and programs to research and address wellness, health equity and social determinants of care. Identifying mechanisms to coordinate innovation, wellness programs and related data platforms, and ways to measure and address health equity and social determinants in care could leverage investments, build collateral support, and help improve health outcomes and health equity. One option (discussed below) is creation of a coordination entity. Texas also has national innovation leaders in data analytics and predictive modeling. The Parkland Center for Clinical Innovation for example is nationally known health data analytics and health improvement leader that is using community level data to address health disparities and social determinants of health, as well as other improvements like potentially preventable readmissions. Similarly, UT System's public health work using geomapping and zip code health analytics to inform health intervention targeting. Coordination with public health programs (funded both at the state level and with local communities) can also help address health improvements and prevention to support coordinated publicly funded interventions.
4. **CMS as an example:** Like the state of Texas, the Centers for Medicare and Medicaid services financial supports and administers parts of two important insurance programs: Medicaid and Medicare. CMS operates a Medicare Medicaid coordination office to achieve similar objectives to those the state has for coordination in Texas' health programs. ¹ Texas may use CMS' coordination office as reference for programs and strategies to improve outcomes and achieve improved quality and coordination.

Finally, as state funding for health ebbs and flows the impacts to local communities move conversely. Reductions in financial support for state programs like Medicaid and CHIP at the state level, lead to service reductions or increased local tax supports needed in local communities. Coordination among multiple state programs and consideration of local programs and impacts can help create a more effective and successful health system in Texas.

¹ <https://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office>

Thank you for your consideration of these comments. Please let me know if you have any questions or we can be of assistance to the Committee.



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