

THOT 87th Session Advocacy Priorities

Ensure Health System Sustainability

Proactively ensuring long-term sustainability of the Texas Health System is our key priority in 2021. Impacts and uncertainties from the COVID-19 pandemic, proposed federal changes affecting Texas health system financing, 1115 waiver changes, and state and federal budget reductions are challenging the state's health system as never before. These collective pressures further destabilize hospital financing which is based on low General Revenue (GR)-funded Medicaid rates, and are augmented with complex hospital district and local financing. Health systems and providers, including teaching hospitals and those serving a disproportionate share of low-income patients, will be challenged to sustain care levels through the recovery.

THOT Supports:

- Preserving GR to ensure sustainability in the Medicaid program.
- Ensuring transparency in hospital payment policies by reporting percent of costs paid, and articulating policy priorities for additional health system investments.
- Increasing HHSC's capacity for independent, strategic financial analysis and rate modeling, as allowed under 86(R) SB 2138.
- Promoting the continuation of local financing solutions, such as local provider participation funds, which will ensure Texas has the resources to fund Medicaid supplemental and waiver payments equitably.

Ensure Local and Public Health Viability

Texas must safeguard the ability of its local hospital districts and health systems to meet healthcare needs, and plan for unexpected disasters and emerging diseases.

THOT Supports:

- Upholding the Special Taxing Unit exemption for Hospital Districts at the current eight percent rollback rate.
- Preserving Hospital Districts' current bond authority.
- Ensuring local communities' ability to educate and advocate at the Legislature about the challenges and needs of their communities.

Continuing a Strategic Texas 1115 Waiver Transition

The recently negotiated 10-year extension of the 1115 Waiver preserved critical federal funding for Texas but requires significant changes in hospital financing. As teaching and super safety net hospitals face unprecedented challenges with COVID-19 and weather events, new waiver program funding must be allocated to best meet our health system's needs. Now is not the time for the lights to go out. COVID-19 and weather events disrupted several key aspects of health care's status quo, underscoring the importance of emergency preparedness; provider flexibility and innovation; and health system resilience in the face of system disorder. Even as it highlighted our dependency on the resilience and responsiveness of our teaching and super safety net hospitals, these challenges also illustrated the depth and challenges of health disparities in Texas.

THOT Supports:

- Ensuring that Waiver 1115 transition includes:
 - programs and funding for teaching and super-safety net hospitals to ensure their stability and ongoing capacity to respond to the health needs of Texas.
 - pandemic-identified solutions for preparedness and response.
 - continued provider-enabled innovation and value-based adaptations (e.g. telehealth and telemedicine).
 - strategic responses to address existing health inequities and disparities amplified by COVID-19.

Support Texas-Style Coverage

Texas has a unique and timely opportunity to provide a comprehensive coverage initiative for low-income Texans at a time when healthcare is at the forefront of daily life. Leveraging funds identified in existing or renegotiated waiver budgets, Texas can increase coverage and improve care for Texans currently without affordable options for comprehensive care. The aftermath of the pandemic will leave an estimated one million more Texans will be uninsured.¹ Now more than ever Texas needs a viable solution to ensure access to care.

THOT Supports:

- A comprehensive statewide coverage initiative that includes community-based providers.

¹ <https://www.urban.org/research/publication/how-covid-19-recession-could-affect-health-insurance-coverage>. Up to an additional 1.16 million Texans could be without insurance this year.

Maintain Client Access to Community Provider-Based Health Plans

Current law ensures that Medicaid clients can select local, community provider-based health maintenance organizations (HMOs) in their communities. The Legislature has historically supported securing access to local, provider-based care, particularly for low-income Texans. Community-based HMOs help improve the quality and cost-effectiveness of care and create a path to independence through continuity of care by providing services for those who are uninsured; those with Medicaid; and those with marketplace coverage. As a key partner with local physicians and an important part of community-informed approaches to care, the viability of community provider-based health plans depends on maintaining access to their services in our communities- a position the Legislature has consistently upheld.

THOT Supports:

- Upholding the statutory provision that allows Medicaid clients to choose community provider-based health plans.

Safeguard Trauma Funds and State Preparedness

Texas trauma systems provide critical infrastructure in response to mass shootings, weather events and pandemics. THOT members operate nearly half of the state's 18 Level I regional trauma centers, which have produced lower mortality rates than most other states rates.

THOT Supports:

- Maintaining Texas trauma needs, at a minimum, at last biennium's level including the trauma, rural and safety-net add-ons.
- Targeting scarce trauma funds:
 - to maintain proficient, system-ready, cost-effective, Level 1 and academic medical center trauma systems; and
 - to help train trauma surgeons and nurses at academic medical centers.
- Creating additional targeted funding to assist trauma hospitals caring for patients injured in mass shootings (similar to the Office of Attorney General's Crime Victim Compensation Program).
- Identifying and funding ongoing supplies for a Strategic State Stockpile and emerging disease prevention efforts.

Sustain Texas' Health Workforce and Research

Despite a heroic response to the COVID-19 pandemic with our existing resources, GME in Texas remains underfunded. As the pandemic exposed, Texas needs more primary and specialty care providers for emerging diseases and co-morbidities, and our rapidly growing and aging population. The solution is a combination of workforce education, patient care, and primary research, which will drive transformational change in the state's healthcare outcomes.

THOT Supports:

- Seeking a federal match for existing private hospital Medicaid GME costs to support existing GME residencies and infrastructure as the foundation for growing our GME capacity.
- Maintaining GR to fully fund the state's Health-Related Institutions' Formula Funding and GME Expansion Grants.

Support Behavioral Health Services

While the 86th Legislature appropriated additional funding for Behavioral Health Services, access to these services continues to be a barrier for some individuals needing behavior health support.

THOT Supports:

- Continuing investments to the state's mental health workforce.
- Ongoing initiatives to increase psychiatric beds, including additional community and state hospital beds.
- Maintaining funding to ensure access to inpatient and outpatient behavioral health services.