TEXAS
Health and Human
Services Commission

Medicaid Managed Care Expansion Update

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Background

SB 7, 82nd Legislature, First Called Session, 2011, directed the Health and Human Services Commission (HHSC) to expand Medicaid managed care statewide.

HHSC implemented Medicaid managed care on March 1, 2012:

- There are a total of 3 million people in capitated managed care
- Major expansion in the Hidalgo Service Area (HSA) and rural areas of state
  - 333,000 lives moved to capitated managed care in the HSA
- Carve in of prescription drugs benefits into managed care model
- Implementation of a risk-based dental managed care model
  - 2.5 million children statewide
- Inclusion of in-patient hospital services in STAR+PLUS

Initial Summary

Successes

- Overall 67 percent of members chose a managed care organization (MCO)
- Statewide, the majority of clients transitioned seamlessly to managed care and received needed services
- Most challenges were addressed within the first 48 hours of implementation

Challenges

- Some MCOs incorrectly loaded the formulary file
- One MCO incorrectly loaded eligibility data
- MCOs experienced higher than expected calls to member and provider call centers

Pharmacy and Dental Issues

Pharmacy

- Reimbursement
- Closures
- Eligibility
- Concern that pharmacy benefit managers (PBMs) are incorrectly rejecting claims
- Medication delivery reimbursement

Dental

- Provider and member call center volume
  - Members calling to change main dental home assignments
  - Providers calling to confirm or obtain authorizations

Implementation Monitoring

Statewide

Pharmacy

HHSC is tracking prescription drug information on a daily basis

- Claims Paid
- Claims Rejected
- Ingredient Costs vs. Dispensing Fees
- Brand vs. Generic
- Member and Provider Calls

Complaints

- Member and Provider Complaints

Dental

- Member and Provider Calls
- Dental and Orthodontic Claims
- Prior Authorizations

Implementation Monitoring

Hidalgo Service Area

HHSC is tracking MCO performance on a weekly basis for the following:

- Provider Network Status
- Pharmacy Network Status
- Authorizations
- Claims
- Member Hotline Performance
- Provider Hotline Performance
- Member Complaints and Resolution
- Provider Complaints and Resolution