Good morning Senator Kolkhorst and members of the Committee. Thank you for the opportunity to provide comments regarding the Texas Healthcare Transformation and Quality Improvement Program Section 1115 Demonstration Waiver, including the DSRIP Transition Plan.

My name is Stephen Williams, and I am the Director of the Houston Health Department. I am also chair of the SB 969 Public Health Funding and Policy Committee and a member of the Texas Association of City and County Health Officials (TACCHO). I lead a TACCHO workgroup charged with addressing issues related to Medicaid and 1115 Waiver transition. I am pleased to testify today in support of the Texas DSRIP Transition Plan. I would like to express appreciation to HHSC for engaging in stakeholder meetings specific to local health departments.

Public health departments have always been a provider of services to Medicaid clients. However, the transition from a traditional Medicaid model to Medicaid Managed Care has presented significant administrative barriers to full participation by local health departments (LHDs). Where necessary some health departments serve as primary care safety net provider(s). However, health departments generally focus on programs and services that connect people to services, prevent the spread of disease and control costs. The services provided by public health are preventative in nature and by design are done to prevent higher cost interventions such as hospitalizations due to TB, vaccine preventable diseases and use of emergency care due to untreated dental problems. Public health provides safety net and prevention services to those unable or unwilling to utilize the traditional providers.
The 5% allocation of DSRIP funding for public health enabled The Houston Health Department along with other local health departments (LHDs) across the State to participate in the HHSC’s 1115 Waiver DSRIP program. Departments were able to expand access to public health services and implement innovate and effective strategies for improving public health across an array of health areas from communicable disease prevention, to chronic disease prevention and management to behavioral health access.

The 1115 Waiver allowed LHDs to provide services that were not traditionally billable services but are services that positively impact health outcomes. For example:

- Austin Public Health reduced the risk of developing diabetes via an education empowerment program (14.8%);
- El Paso Department of Public Health increased the 30-day follow-up testing for newly diagnosed chlamydia;
- Houston Health Department’s Care Transitions project had readmission rates lower than a partnering hospital and its TB project utilized innovation to significantly increase Latent TB Infection treatment completion rates;
- Houston and Laredo Health Departments offered programming that significantly improved lowered A1c in communities

In addition to these non-traditional billable services, health departments were also able to increase access to care by expanding primary care services. This is evident by Paris-Lamar County Public Health Department’s ability to increase its new patient population by 45%.

These successes along with the potential of public health departments to significantly improve the health of Texans through cost effective services and interventions are drivers for our recommendation for public health’s continued role as a significant partner in HHSC’s 1115 transition plan. We believe that public health should be formally integrated into Medicaid post 1115 Waiver to ensure health outcomes.
We are pleased that HHSC has already taken proactive steps to include public health in its plan. LHD’s have already participated in focus groups organized by HHSC. HHSC has also identified integration of public health with Medicaid and social drivers of health two key focus areas in its transition planning going forward.

We believe that local health department’s participation in Medicaid going forward is vital to the sustainability of services that protect the health and safety of all Texans. When health departments are not able to maximize access to existing state and federal dollars for health services, those services are solely funded by local government through general funds at the expense of local tax payers. These tax payers feel the double burden of both paying the federal and state share for healthcare costs and paying for local safety net and prevention services.

Every dollar that an LHD receives from federal and state agencies which already have dollars allocated for health services increases the local department’s ability to provide services to those who are uninsured and underinsured. Without these resources, local departments will need to seek increased funding from local governments and the State to provide disease prevention services such as TB clinical and follow-up services and administration of vaccines to ensure access to preventive health services.

Medical care alone is not enough to bring about reform and improvement in health outcomes. Public health plays a critical role in improving health outcomes of a population. Public health addresses financial and non-financial barriers through outreach, health education, care coordination, navigation, home visiting and translation services, and culturally sensitive provision of services. We believe that a strong public health system is vital to the health of all Texans. We therefore support the direction that HHSC is going with the inclusion of public health in the State Medicaid plan and are pleased to have the opportunity to participate.

I thank you for your time and consideration.