CHRISTUS Health

CHRISTUS Health Comments to
DY7-8 DSRIP

Chapter 354, Subchapter D. Division 7: DSRIP Program Demonstration Years 7-8

Category C Measure Bundles & Measures

- **Sec. 354.1713(a)(1)(H) Rural measure bundle eligibility:** CHRISTUS respectfully requests that HHSC allow hospitals with annual valuations above $2 million to choose rural measure bundles. HHSC proposed increasing the annual valuation to $2.5 million in the revised Program Funding and Mechanics protocol issued in August, and we recommend adopting this higher amount in the final rule.

- **Sec. 354.1713(a)(1)(E) Measure bundle selection:** The proposed rule states that in order for a provider to select a measure bundle, the provider must achieve minimum baseline denominator size for at least half of the required measures in the measure bundle. However, only ten of the twenty-three measure bundles for hospitals and physician practices contain measures with a DSRIP specified setting of "hospital" or "ED" for at least half of the required measures. The DSRIP program was designed as a hospital-based program, and the DSRIP program should focus on improvements in hospital-based outcomes. CHRISTUS respectfully requests that HHSC include more measures with a DSRIP specified setting of "hospital" or "ED" in order to further the original intent of the DSRIP program. Furthermore, CHRISTUS requests that HHSC designate any measures with a specified setting outside of the "hospital" or the "ED" as optional for hospitals that choose that measure bundle.

Category D Statewide Reporting Measure Bundle

- **Sec. 355.1715(c) Broad hospital participation:** The proposed financial incentive to encourage private hospital participation remains insufficient. The current proposal allows providers in compliant RHPs to shift 10% of DSRIP valuation from Category C (measure bundles) to Category D (statewide reporting measure bundles). Many governmental DSRIP entities provide IGT support to affiliated private DSRIP providers that exceed 10% of their DSRIP allocation, and therefore the proposed incentive would not likely persuade the governmental entity to continue providing IGT support in DY7 or DY8. We recommend that HHSC include more meaningful incentives to maintain private hospital participation in DSRIP, which could include increasing the allocation percent shift between Category C and Category D from 10% to

20%, and/or reducing a governmental entity's DSRIP allocation if the governmental entity reduces or ends IGT funding for affiliated private hospitals. The reduction amount applied to the governmental entity would equal the DSRIP reduction experienced by the affiliated private hospital.

Chapter 355, Subchapter J, Division 11: Texas Healthcare Transformation and Quality Improvement Program Reimbursement

- **Sec. 355.8205 DSRIP payments:** We agree with HHSC's proposal to continue the policy that imposes proportionate DSRIP payment reductions if a governmental entity fails to transfer the maximum IGT amount on behalf of each performer owned or affiliated with the governmental entity. Texas DSRIP depends on a network of private and public hospital systems to implement delivery system reforms on a widespread basis and this incentive encourages governmental entities to honor their commitment to DY7-8 affiliated private hospitals. However, this policy does not mitigate a situation in which a governmental entity ends a private hospital affiliation after DY6; rather, a governmental entity may end all affiliations with private hospitals prior to DY7 and retain millions of dollars in DSRIP funding allocated during Passes 2 and 3 under the original waiver that was contingent on private hospital participation. The current proposal to encourage private hospital participation in DY7-8, which would shift 10% of DSRIP valuation from Category C (measure bundles) to Category D (statewide reporting measure bundles), is insufficient and needs to be strengthened.

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