

# 1115 Transformation

## Behavioral Health Services are Essential to Overall Health: Realizing the Vision

*“HHSC expects that behavioral health-related projects will play a large role in the waiver and encourages BH stakeholders to engage in RHP planning.”*

*–HHSC presentation to Senate Health and Human Services Committee, May 2012.*

In December 2011, the Centers for Medicare and Medicaid Services (CMS) approved the Texas Health and Human Services (HHSC) Healthcare Transformation and Quality Improvement Program 1115 demonstration waiver. This waiver aims to transform the health care delivery system for low-income Texans and includes an increased focus on access to quality behavioral health services as a recognized means to improve both individual and system level outcomes.

### **Regional Planning: All Health Care is Local**

As required by provisions of the 1115 Transformation Waiver, public hospitals and other local stakeholders are establishing Regional Health Partnerships (RHPs) throughout the state and identifying anchors to serve as the coordinating point for developing regional health plans and submitting them to HHSC. Based on community needs, the regional plans will include efficient and effective local solutions designed to reduce costs and improve outcomes. Once approved by HHSC and CMS, the regional plan will serve as the vehicle for receiving new federal funding as incentive payments for local projects.

### **Delivery System Reform Incentive Payment (DSRIP) Pool: Making it Happen**

The waiver program has multiple parts, but the key component for increasing access to behavioral health services is called the Delivery System Incentive Reform Payment (DSRIP) pool. HHSC established a menu of projects that qualify for funding under the DSRIP pool and continues to emphasize the importance of behavioral health. The pool of funds for all DSRIP programs are estimated at \$500 million in Year 1, increasing to \$3.1 billion in Year 5, contingent upon available local matching funds.

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Potential DSRIP projects include expansion of integrated physical and behavioral health clinics, crisis stabilization services, capacity at current clinics, telemedicine, health information exchange, workforce development and peer support. In addition, DSRIP may fund services to populations with mental health diagnosis and functional limitations that are not eligible for current state funded services.

### **What is the role of Community Centers?**

Community Centers fulfill important roles under the 1115 Transformation Waiver.

**IGT Entity.** Like public hospitals and other governmental entities, Centers have the ability to transfer locally managed state and local dollars to draw down federal funding for DSRIP projects. This process is called an Intergovernmental Transfer, or IGT.

**Performing Provider.** As a public Medicaid provider, Centers receive direct payment from HHSC when DSRIP metrics are achieved.

**Regional Health Plan Partner.** As an IGT Entity and Performing Provider, Centers are involved in the RHP process. Centers will contribute to the assessment of community need and work collaboratively with local partners, including consumers, advocates and private providers, to plan and implement innovative and effective solutions for addressing behavioral health care needs in the region.