Texas Incentives for Physicians and Professional Services (TIPPS) SFY 23			
Pre-Print Question	HHSC Response May/June 2022 Pre-Print Response	HHSC Response June 2022 Pre-Print Submission	Change to Program
1	September 1, 2022 – August 31, 2023 managed care contract rating period	September 1, 2022 – August 31, 2023 managed care contract rating period	No changes
2	September 1, 2022 requested start date	September 1, 2022 requested start date	No changes
3	STAR, STAR+PLUS, STAR Kids applicable managed care programs	STAR, STAR+PLUS, STAR Kids applicable managed care programs	No changes
4	Estimated Total Dollar Amount of state directed payment: $635,000,000 Federal share: $380,682,500.00 Non-federal share: $254,317,500.00	Estimated Total Dollar Amount of state directed payment: $738,009,488 Federal share: $442,436,687.89 Non-federal share: $295,572,799.83	HHSC utilized more available room of the TIPPS ACR UPL instead of limiting the $635 million.*
5	No	No	No changes
6	Item b. checkbox selected i. State Fiscal Year 2022 c. Addition of OBGYN Clinics for Class 3 participation	Item b. checkbox selected i. State Fiscal Year 2022 c. Addition of OBGYN Clinics for Class 3 participation	No changes
7	Checkbox selected	Checkbox selected	No changes
8	The Texas Incentives for Physicians and Professional Services program (TIPPS) is comprised of three	The Texas Incentives for Physicians and Professional Services program (TIPPS) is comprised of three	No changes

*Changes are highlighted

	payment components payable to three classes of physician groups. Please refer to Attachment B for the detailed response to this question. a. Checkbox selected denoting CMS approval b. Texas State Plan, Attachment 4.19-B- Physicians and other Practitioners, located at: https://apps.hhs.texas.gov/documents/medicaid-chip-state-plan-attachments.pdf Attachment B: No changes	payment components payable to three classes of physician groups. Please refer to Attachment B for the detailed response to this question. a. Checkbox selected denoting CMS approval b. Texas State Plan, Attachment 4.19-B- Physicians and other Practitioners, located at: https://apps.hhs.texas.gov/documents/medicaid-chip-state-plan-attachments.pdf Attachment B: No changes	
9	Item b checkbox selected: *Fee Schedule Requirements*	Item b checkbox selected: *Fee Schedule Requirements*	No changes
10– 13, 15, 17 - 18, & 37	No entry	No entry	No changes
14	No a. N/A b. No entry	No a. N/A b. No entry	No changes
16	Item c checkbox selected: Uniform Dollar or Percentage Increase	Item c checkbox selected: Uniform Dollar or Percentage Increase	No changes
19	a. uniform dollar amount b. Refer to Attachment C; Component 1 PMPM:	a. uniform dollar amount b. Refer to Attachment C; Component 1 PMPM:	HHSC updated the program uniform dollar amounts and

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	Class 1:$34.47 Class 2 : $25.28 Component 2 Percentage Increase: Class 1: 79.01% Class 2: 150.64% Component 3 Percentage Increase: 85.8% c. Refer to Attachment C d. Refer to Attachment C	Class 1:$35.04 Class 2: $27.66 Component 2 Percentage Increase: Class 1: 82.95% Class 2: 166.14% Component 3 Percentage Increase: 99.72% c. Refer to Attachment C d. Refer to Attachment C	uniform percentage increases by component and provider class. See updates in Attachment C.
20	a. professional services at an academic medical center, primary care services, specialty physician services b. Refer to Attachment D c. None of the provider classes are explicitly defined in the state plan; the classes are based on the Texas Education Code or other established provider class definitions, such as the Indirect Medical Education (IME) hospitals.	a. professional services at an academic medical center, primary care services, specialty physician services b. Refer to Attachment D c. None of the provider classes are explicitly defined in the state plan; the classes are based on the Texas Education Code or other established provider class definitions, such as the Indirect Medical Education (IME) hospitals.	No changes
21	All components are paid as a uniform rate increase to each class of providers. All providers participating in a component must report quality-related data as a condition of participation in the program.	All components are paid as a uniform rate increase to each class of providers. All providers participating in a component must report quality-related data as a condition of participation in the program.	No changes
22	Item c checkbox selected: Require a payment made in addition to the negotiated rate(s) between the plan(s) and provider(s).	Item c checkbox selected: Require a payment made in addition to the negotiated rate(s) between the plan(s) and provider(s).	No changes

*Changes are highlighted

<table>
<tr><td>23</td><td>TABLE 2: Provider Payment Analysis<table><tr><th>Provider Class(es)</th><th>Average Base Payment Level from Plans to Providers (absent the SDP)</th><th>Effect on Total Payment Level of State Directed Payment (SDP)</th><th>Effect on Total Payment Level of Other SDPs</th><th>Effect on Total Payment Level of Pass-Through Payments (PTPs)</th><th>Total Payment Level (after accounting for all SDPs and PTPs</th></tr><tr><td>Ex: Rural Inpatient Hospital Services</td><td>80%</td><td>20%</td><td>N/A</td><td>N/A</td><td>100%</td></tr><tr><td>a. Health-Related Institutions (HRI) Physician Group</td><td>21%</td><td>64%</td><td>0%</td><td>0%</td><td>86%</td></tr><tr><td>b. IME Physician Group</td><td>13%</td><td>69%</td><td>0%</td><td>0%</td><td>82%</td></tr><tr><td>c. Other Physician Group</td><td>34%</td><td>17%</td><td>0%</td><td>0%</td><td>51%</td></tr></table></td><td>TABLE 2: Provider Payment Analysis<table><tr><th>Provider Class(es)</th><th>Average Base Payment Level from Plans to Providers (absent the SDP)</th><th>Effect on Total Payment Level of State Directed Payment (SDP)</th><th>Effect on Total Payment Level of Other SDPs</th><th>Effect on Total Payment Level of Pass-Through Payments (PTPs)</th><th>Total Payment Level (after accounting for all SDPs and PTPs</th></tr><tr><td>Ex: Rural Inpatient Hospital Services</td><td>80%</td><td>20%</td><td>N/A</td><td>N/A</td><td>100%</td></tr><tr><td>a. Health-Related Institutions (HRI) Physician Group</td><td>23%</td><td>73%</td><td>0%</td><td>0%</td><td>96%</td></tr><tr><td>b. IME Physician Group</td><td>13%</td><td>79%</td><td>0%</td><td>0%</td><td>92%</td></tr><tr><td>c. Other Physician Group</td><td>36%</td><td>21%</td><td>0%</td><td>0%</td><td>58%</td></tr></table></td><td>The June update utilizing the higher ACR UPL cap, the inclusion of Interpretation and Technical component claims data as in PGY1, and final actuarial trend factors had no net effect on the program size but shifted payments and IGT for all providers.</td></tr>
<tr><td>24</td><td>Item c checkbox selected: Percentages shown are compared to the estimated reimbursement for an average commercial payor.</td><td>Item c checkbox selected: Percentages shown are compared to the estimated reimbursement for an average commercial payor.</td><td>No changes</td></tr>
<tr><td>25</td><td>No</td><td>No</td><td>No changes</td></tr>
<tr><td>26</td><td>Yes</td><td>Yes</td><td>No changes</td></tr>
<tr><td>27</td><td>The state uses Medicaid claims to determine the Medicaid reimbursements. HHSC has purchased a proprietary commercial claims data set and uses it to evaluate the average commercial rates for services rendered by the provider classes described above. The Average Base Payment Level indicates the current</td><td>The state uses Medicaid claims to determine the Medicaid reimbursements. HHSC has purchased a proprietary commercial claims data set and uses it to evaluate the average commercial rates for services rendered by the provider classes described above. The Average Base Payment Level indicates the current</td><td>No changes</td></tr>
</table>

*Changes are highlighted

	Medicaid reimbursement for these services that the providers have already received. The State Directed Payment indicates the Total Directed Payments derived from the average commercial rates. The Total Payment Level indicates the total of the Average Base Payment Level and the State Directed Payment.	Medicaid reimbursement for these services that the providers have already received. The State Directed Payment indicates the Total Directed Payments derived from the average commercial rates. The Total Payment Level indicates the total of the Average Base Payment Level and the State Directed Payment.	
28	The total value of the program will be a percentage of the estimated average commercial payment that would have been paid for the Medicaid services. Allocation of the funds across the three components will be 65%, 25%, and 10%. The state believes that the commercial reimbursement rates are appropriate and reasonable for the providers of these services. See Attachment E for TIPPS year 1 independent actuaries' report. For TIPPS year 1, Texas' independent actuaries analyzed the proposed reimbursement and confirmed that the proposed rates were less than the average commercial reimbursement for the same services. The methodology for TIPPS year 2 is assumed to be like year 1, HHSC will update actuarial certification upon completion of provider enrollment.	The total value of the program will be a percentage of the estimated average commercial payment that would have been paid for the Medicaid services. Allocation of the funds across the three components will be 65%, 25%, and 10%. The state believes that the commercial reimbursement rates are appropriate and reasonable for the providers of these services. See Attachment E for TIPPS year 1 independent actuaries' report. For TIPPS year 1, Texas' independent actuaries analyzed the proposed reimbursement and confirmed that the proposed rates were less than the average commercial reimbursement for the same services. The methodology for TIPPS year 2 is assumed to be like year 1, HHSC will update actuarial certification upon completion of provider enrollment.	No changes
29	No. b. HHSC will provide the managed care contracts 45 days prior to the effective date.	No. b. HHSC will provide the managed care contracts 45 days prior to the effective date.	No changes
30	No. a. 7/18/2022 no entries on Table 3	No. a. 7/18/2022 no entries on Table 3	No changes
31	Item a checkbox selected: An adjustment applied in the development of the monthly base capitation rates paid to plans.	Item a checkbox selected: An adjustment applied in the development of the monthly base capitation rates paid to plans.	No changes

*Changes are highlighted

32	N/A	N/A	No changes
33	Checkbox selected	Checkbox selected	No changes
34	Items b and c checkboxes selected: Intergovernmental transfers (IGTs) from a State or local government entity; Health Care-Related Provider tax(es)/ assessment(s)	Items b and c checkboxes selected: Intergovernmental transfers (IGTs) from a State or local government entity; Health Care-Related Provider tax(es)/ assessment(s)	No changes
35	(a)(i). Refer to Attachment F Item b checkbox selected	(a)(i). Refer to Attachment F Item b checkbox selected	Updated Attachment F with list of IGT entities for FY2023
36	(a)(i). Refer to Attachment G for the Local Provider Participation Funds that may be used to provide funding for the TIPPS program.	(a)(i). Refer to Attachment G for the Local Provider Participation Funds that may be used to provide funding for the TIPPS program.	No change
38	Checkbox selected: Payment arrangement does not condition network provider participation on entering/adhering to IGT agreements.	Checkbox selected: Payment arrangement does not condition network provider participation on entering/adhering to IGT agreements.	No change

*Changes are highlighted