



As the COVID-19 pandemic continues to spread, infecting hundreds of thousands of Texans, Texas hospitals and health care providers are expected to wind down a program that has been a vital to Texas' health care safety net, providing primary, preventive, behavioral health and specialty care to 12 million Texans.

Since 2012, the **Delivery System Reform Incentive Payment program under Texas' Medicaid 1115 Waiver has provided \$18.9 billion** to incentivize providers to collaborate regionally to innovate health care delivery. DSRIP has been key to meeting the unique health care needs of communities across Texas and improving health outcomes. The terms of the waiver require Texas to phase out DSRIP and transition learnings from the program into new initiatives such as alternative payment models, managed care payments and other opportunities.



With the ongoing COVID-19 pandemic, now is not the time to require the development of new programs nor the loss of essential DSRIP funding. Texas hospitals and health care providers instead support an extension of the program for at least one additional year.

Responding to the Pandemic and Providing Patient Care



- Texas health care providers have pivoted to provide emergent and ongoing care to tens of thousands of Texans and have provided millions of COVID-19 tests.
- Texas hospitals report daily data to help state and federal governments better understand the virus and response.

Time to Continue Transforming



- Patients are delaying necessary primary, preventive and emergent care → Health outcomes are worsening and exacerbating the need for acute care.
- Providers lack the bandwidth, resources and staff to devote to transformation activities and are reconfiguring the way they provide care to mitigate risk of disease spread.
- An extension would allow hospitals and other providers to continue transforming health care delivery — as envisioned through the DSRIP program— when the system stabilizes following the pandemic.

Adapting to Shifting Landscape and Building on COVID-19 Lessons After DSRIP



- Providers have increased access to telehealth services in order to limit in-person visits and increase capacity for COVID-19 care.
- Providers can build on lessons learned from COVID-19 response and continue those innovations post-DSRIP.

Critical Funding Loss



- The transition of funding streams during the current crisis will further destabilize the health care safety net. Access to physical and behavioral health care is critical during the pandemic, and the loss of DSRIP funding will jeopardize access to care for vulnerable Texans.



TIMELINE OF DSRIP & COVID-19 PANDEMIC



2017

DECEMBER 2017

- Texas' Medicaid 1115 Waiver is renewed with new terms & conditions.

2019

OCTOBER 2019

- HHSC submitted to CMS draft plan to transition DSRIP.

FEBRUARY 2020

- Texas hospitals respond to the **first CDC-confirmed COVID-19** case in the state.

MARCH 2020

- DSHS declared **public health disaster** in Texas, and Gov. Abbott issued statewide stay at home order.
- Texas surpassed **2,800** COVID-19 cases.

APRIL 2020

- HHSC and CMS tentatively finalized transition plan but leave open ended for potential future adjustments.
- Texas surpassed **28,000** COVID-19 cases.
- Single-day COVID-19 hospitalizations peaked at **1,702**.

MAY 2020

- Texas surpassed **64,000** COVID-19 cases.
- Single-day COVID-19 hospitalizations peaked at **1,778**.

JUNE 2020

- Texas surpassed **159,000** COVID-19 cases.
- Single-day COVID-19 hospitalizations peaked at **6,533**.

JULY 2020

- Texas surpassed **420,000** COVID-19 cases.
- Single-day COVID-19 hospitalizations peak at **10,893**.

SEPTEMBER 2020

- HHSC to submit to CMS proposals for new programs to sustain key DSRIP initiative areas when DSRIP funding ends.
- **Providers plan for and implement new programs**, pending CMS approval of Texas-requested programs.

OCTOBER 2021

- **DSRIP funding to end unless program is extended.**

SEPTEMBER 2022

- Current waiver expires.

2020

2021

2022

