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Health and Human
Services

Texas Department of State
Health Services

Rider 37 Study Report Updates

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Goal

The 2017-18 General Appropriations Act, S.B. 1, 85th Legislature, Regular Session, 2017 (Article II, Department of State Health Services, Rider 37) requires the Department of State Health Services (DSHS) to study the most effective way to bill private insurers for newborn screening kits. The study must include the feasibility of requiring DSHS to bill private insurers for the cost of newborn screening kits and of requiring private insurers to automatically update their payment rates for the cost of newborn screening kits based on panel changes.



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Timeline

- Create outline for the report – 10/6/2017
- Assign SMEs to write report sections – 10/19/2017
- Survey/interview other states, private insurers, healthcare providers, and other stakeholders
- Kick-off meeting – 2/26/2018
- Develop report drafts
- Submit final draft of report for review/approval – June 2018
- Submit final report to LBB, Senate Finance Committee, House Appropriations Committee, House Public Health Committee, and Senate Health and Human Services Committee as required – 9/1/2018



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Report Outline

- Types of NBS Reimbursement and Billing Structures in U.S.
- Current Fees, Billing Processes, and Reimbursement Mechanism for NBS Kits in TX (including successes and challenges)
- Experience from NBS Programs Implemented Direct Insurance/patient Billing (including Pros and Cons)
- Feasibility of Direct Insurance Billing in TX Newborn Screening (including costs and other considerations)
- Current Requirements and Processes to establish and update NBS payment rates by private insurers
- Approaches to automatically update private insurers' payment rates for NBS
- Recommendations and Considerations on the best practices of NBS Billing in Texas



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Solicit Information from Other States

- Contacted Association of Public Health Laboratories
- Florida and Arizona newborn screening programs – direct insurance/patient billing
- Gathered information from IA, OH, NY, MD, OR, CO, MN, WI, TN, MO, etc



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Survey Questions for Private Insurance Industry (Part 1)

- Payment rates for newborn screening:
 - What CPT codes related to newborn screening do you accept and reimburse?
 - What are the current newborn screening payment rates for providers in and out of network?
 - Are there any co-payments from patients required?
 - How do you determine and update payment rates? How long does the process take?
 - When do you usually update the newborn screening payment rates?
 - DSHS updates published newborn screening fee periodically to reflect the cost of testing performed. Do you update your rates accordingly? If not, what can DSHS do to require/ensure automatic updates?

Survey Questions for Private Insurance Industry (Part 2)



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- Billing process:
 - What is the process for the DSHS Laboratory to become an in-network laboratory?
 - Is a contract required? If yes, what is the frequency for renewal? What is the process for re-negotiation?
 - Is it possible to have a generic contract acceptable by all health plans and private insurers? If not, how many companies/plans does DSHS have to set up a separate contract with?
 - What information on a claim do you require? What is the rejection rate due to insufficient information provided?
 - If all required billing information is provided, how soon do you issue payments?
 - What are the forms of payments?
 - Are there any challenges/barriers in the current claim process for newborn screening testing?
Please describe

Survey for Private Insurance Industry



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- Sent to TX Department of Insurance, TX Association of Health Plans, and TX Association of Community Health Plans on 1/25/2018
- Expect to close the survey on 2/18/2018
- One response so far
- Concerns regarding intention of the survey and disclosure of payment rates information

Survey for Healthcare Providers – Draft Questions



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- Which CPT codes do you use to file insurance claims for newborn screening sample collection procedure and cost of newborn screening kits?
- What are the reimbursement rates received from the insurance companies for CPT codes above?
- What is the approximate percentage of claims receiving reimbursement from insurance company?
- If all required billing information is provided, how soon do you receive payments?
- DSHS updates published newborn screening fee periodically to reflect the cost of testing performed. How do you update/negotiate payment rates accordingly? How long does the process take?
- What are the biggest challenges of the billing process specific for newborn screening?



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Survey for Healthcare Providers

- Should we add questions about patient billing
- Distribution of the survey: ListServ, professional organizations (e.g. TMA, TPS, THA), NBSAC
- Any other approaches to engage stakeholders?



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Thank you