



Response to the Public Health Funding and Policy Committee 2021 Report Recommendations

**As Required by
Texas Health and Safety Code
Section 117.151**

**Department of State Health
Services**

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Executive Summary

The Texas Health and Safety Code, [Chapter 117](#), established the Public Health Funding and Policy Committee (PHFPC) to meet and advise the Department of State Health Services (DSHS) on matters impacting public health from the perspective of local health entities as fellow partners with DSHS in the public health system of Texas. [Section 117.151](#) requires DSHS to submit a report on the status of implementation of the PHFPC's recommendations as included in their annual report to DSHS. Both reports are due to the Texas Legislature by November 30th of each year.

This [Response to the Public Health Funding and Policy Committee 2021 Report Recommendations](#) reflects the ongoing efforts and progress made by DSHS to address the three recommendations submitted by PHFPC in their 2021 Annual Report to the DSHS Commissioner for the following topic areas:

- Medicaid Billing
- Public Health Data and Information Systems
- Public Health Provider-Charity Care Program

As required by [Section 117.151](#), DSHS is committed to considering viable solutions and actions in response to the PHFPC's recommendations and only reserves the decision not to implement a recommendation based on the following:

- A lack of available funding
- Evidence that the recommendation is not in accordance with prevailing epidemiological evidence, variations in geographic and population needs, best practices, or evidence-based interventions related to the populations to be served
- Evidence that implementing the recommendation would violate state or federal law
- Evidence that the recommendation would violate federal funding requirements

1. Introduction

[Texas Health and Safety Code Section 117.103](#) requires the Public Health Funding and Policy Committee (PHFPC) to annually submit a report to the Governor, Lieutenant Governor, and Speaker of the House of Representatives that details the committee's activities and recommendations the committee made to the DSHS Commissioner. DSHS is required to respond to the PHFPC recommendations and submit a report of these responses to the Governor, Lieutenant Governor, and the Speaker of the House of Representatives.

According to the Health and Safety Code, a decision by DSHS not to implement a recommendation of the PHFPC must be based on:

- A lack of available funding
- Evidence that the recommendation is not in accordance with prevailing epidemiological evidence, variations in geographic and population needs, best practices, or evidence-based interventions related to the populations to be served
- Evidence that implementing the recommendation would violate state or federal law
- Evidence that the recommendation would violate federal funding requirements

The eight previously submitted PHFPC reports can be found online at:

<http://www.dshs.state.tx.us/phfpcommittee/>.

In the PHFPC 2021 Annual Report, the committee made three new recommendations in the following categories:

- Medicaid Billing
- Public Health Data and Information Systems
- Public Health Provider-Charity Care Program

2. Background

In accordance with [Texas Health and Safety Code Section 117.103](#), DSHS established the PHFPC. The PHFPC is an independent committee, which consists of nine public health professionals, appointed by the DSHS Commissioner, tasked with examining public health issues in Texas and providing recommendations on how to improve public health outcomes. This includes an examination of funding for programs, projects, and jurisdictions. Specific duties of the committee are:

- Define the core public health services that a local health entity (LHE) should provide in a county or municipality;
- Evaluate public health in this state and identify initiatives for areas that need core public health functions;
- Identify all funding sources available for use by LHEs to perform core public health functions;
- Establish public health policy priorities for the state; and
- At least annually, make formal recommendations to DSHS.

Members of the committee include:

- Three local health entity directors
- Two health authorities
- Two representatives from schools of public health
- Two DSHS public health regional medical directors

The PHFPC developed recommendations based on conversations during meetings throughout fiscal year 2021. DSHS reviewed the recommendations and developed responses, which are included in this report.

3. Responses to Recommendations in the 2021 PHFPC Report

Medicaid Billing Recommendation

PHFPC recommends that DSHS become the leading agency in the implementation of SB73 to ensure that Local Health Entities (LHEs) can expand their participation in Texas Medicaid and continue forward momentum regarding LHE Managed Care Organization contract execution. As the lead agency, DSHS will obtain monthly updates from the Health and Human Services Commission (HHSC), coordinate with a member of HHSC executive leadership to participate in regular implementation planning, request a timeline of implementation, and ensure technical assistance for LHE provider type enrollment.

DSHS Response to Medicaid Billing Recommendation

Senate Bill 73, 87th Texas Legislature, 2021 addresses contracting challenges often faced by LHEs regarding reimbursement from managed care organizations (MCO) for services provided and funded through Medicaid. The bill directs HHSC to establish a separate provider type for a local public health entity. "Local public health entity" means a local health unit, a local health department, and/or a public health district.

HHSC does not yet have a finalized implementation plan for SB 73. The DSHS Center for Public Health Policy and Practice is the agency's point of coordination with HHSC Medicaid, in collaboration with the Division for Regional and Local Health Operations and will serve as a point of coordination between LHEs and HHSC Medicaid regarding the implementation of the bill.

Public Health Data and Information Systems Recommendations

The PHFPC recommends that DSHS lead a collaborative effort, including but not limited to the potential representation of LHEs, hospital groups,

and the healthcare provider community, to establish a collective vision that includes modern and efficient public health data and information system. This includes developing a plan, strategies, and timeline to accomplish goals.

DSHS Response to Public Health Data and Information Systems Recommendation

The COVID-19 pandemic has demonstrated the need for an effective and efficient public health system. Coordination between federal, state, and local health entities (LHEs) is critical in ensuring that needs are properly identified and that available resources are distributed in a manner that addresses those needs. Timely, accurate, and complete information is vital in identifying needs and tracking progress in addressing health concerns. A DSHS-led collaboration of LHEs, health care providers, and other stakeholders can develop a shared, statewide vision, strategic and operating plans, and timelines. The focus of this collaborative effort should be to improve Texas' health information framework and include appropriate data access controls and services to ensure individuals' privacy is respected.

This statewide structure should support the timely, standards-based, secure access and/or exchange of health data. Any statewide plan needs to address what technology services are required by each stakeholder group and how to best implement those services within resource constraints. It should also identify when independent, separate systems should be implemented; when services should be offered on a shared platform; and what standards should be used for exchanging data. Commitments from each stakeholder group, including both participation in planning and implementing necessary technologies, will enable long-term data access and system stability, helping Texas prepare for, and respond to, future disasters.

Collaboration between state and local entities is critical in designing and implementing policy approaches and technology solutions that are cost-effective and can meet the needs of a diverse set of users, such as DSHS, LHEs, health care providers, and other stakeholders.

Building upon the consolidation of DSHS and HHSC and supported with one-time funding from Centers for Disease Control and Prevention, DSHS has begun contractor-supported work focused on public health data sharing. This helps enhance the state's capacity and capabilities to securely exchange data with health

care providers and to transform that data into actionable information by policy makers at all levels of government as well as enhancements to better serve health care providers.

DSHS is currently coordinating efforts with HHSC in the development of the Medicaid health information technology plan, as well as working with HHSC to advance an interoperability center of excellence. This center is intended to provide coordinated services for data submission and retrieval, leveraging health information exchange networks. DSHS is also engaged in developing clear information about data governance, providing additional detail about the data DSHS has and how, with whom, and in what circumstances that data may be shared.

Several large LHEs are investing significant resources in developing local data systems to meet local needs. DSHS and these LHES are collaborating in advancing electronic case reporting (eCR), an automated method for informing public health of a reportable condition, such as tuberculosis.

DSHS and the LHEs can build their collaborative activities around eCR, the work DSHS is doing with HHSC, and the experience developed by DSHS through work with other partners. This helps produce a statewide informatics plan that can be used across the state, serving as a guide for improving services and a resource to be referenced in applying for funding to advance the plan's goals. DSHS can lead this effort at the request of the LHEs and PHFPC.

Public Health Provider-Charity Care Program Recommendation

The PHFPC recommends that DSHS become a leading agency in the 1115 Waiver transition and advocate for the Public Health Provider-Charity Care Program (PHP-CCP). This should include the provision of assistance with the allocation of a proportionate share of the funds available for local health entities and mental health programs, advocacy for a comprehensive inclusion of core public health services within the PHP-CCP, and provision of technical assistance regarding cost-reporting and charity care policy development.

DSHS Response to Public Health Provider-Charity Care Program Recommendation

The DSHS Center for Public Health Policy and Practice, which is the agency's point of coordination with HHSC Medicaid, will serve in collaboration with the Division for Regional and Local Health Operations as a point of coordination between local health entities (LHEs) and the PHP-CCP. The Center currently attends HHSC internal and external stakeholder meetings regarding the PHP-CCP and is available to help assist LHEs as they apply for support via the PHP-CCP from HHSC. The Center will continue to work with HHSC to ensure that LHEs are considered throughout this process, for example, in determining the services included for reimbursement in future fiscal years.

4. Conclusion

Texas Department of State Health Services (DSHS) continues to be responsive to recommendations made by the Public Health Funding and Policy Committee (PHFPC) throughout the year. Local health entities, DSHS Public Health Regions, and DSHS Central Office programs continue to maintain strong working relationships in order to leverage resources that support the improvement of public health services to clients and stakeholders.

Efforts are put forth by local health entities, DSHS Public Health Regions, and DSHS central office to maintain good working relationships to leverage resources to better serve public health clients and stakeholders.

During 2021, DSHS was able to make great progress towards the implementation of PHFPC recommendations from fiscal year 2020. Through the combined efforts of DSHS, PHFPC, and the Electronic Laboratory Reporting (ELR) Workgroup, the agency was able to make progress in deduplicating ELR data and creating a standardized format for reporting and data exchange. DSHS looks forward to continued work with the PHFPC in creating positive change for public health in Texas.

DSHS values the work of the PHFPC and appreciates that our collaborative efforts are improving public health services in Texas.

List of Acronyms

Acronym	Full Name
CMS	Contract Management Section
DSHS	Department of State Health Services
ELR	Electronic Laboratory Reporting
HHSC	Health and Human Services Commission
LHE	Local Health Entity
MCO	Managed Care Organization
PHFPC	Public Health Funding and Policy Committee
PHR	Public Health Region
PHP-CCP	Public Health Provider-Charity Care Program
RLHO	Regional Local Health Operations