

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop: S2-01-16  
Baltimore, Maryland 21244-1850



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**Children and Adults Health Programs Group**

**MAY 21 2014**

Kay Ghahremani  
State Medicaid Director  
Texas Health and Human Services Commission  
P.O. Box 13247  
Austin, TX 78711

Dear Ms. Ghahremani:

This letter provides the Centers for Medicare & Medicaid Services (CMS) approval of three-year project additions to the Regional Healthcare Partnership (RHP) 4 plan that were submitted to CMS on May 2, 2014 as part of the state's Delivery System Reform Incentive Payment (DSRIP) Pool, authorized under the state's 1115 demonstration, entitled Texas Healthcare Transformation and Quality Improvement Program (Project Number 11-W-00278/6).

In accordance with the expectations set forth in the demonstration's Program Funding and Mechanics (PFM) Protocol, the state reviewed all projects and identified potential issues for further review by CMS. CMS' 45-day review process focused on ensuring that the state followed its process correctly. These review findings do not alter the responsibility of the state or the RHP to comply with all federal program integrity and funding requirements of the Medicaid program, the demonstration's special terms and conditions (STCs), or the accompanying protocols, the PFM protocol (attachment J of the STCs) and the RHP Planning Protocol (attachment I of the STCs).

All 6 of RHP 5's three-year DSRIP projects submitted by the state have been initially approved. The list of approved projects is enclosed. These providers may now begin receiving DSRIP payments for demonstration years (DY) 3 for the DSRIP project approved in this letter, provided they show documented achievement of the milestones described in their plan, in accordance with the requirements set forth in the DSRIP PFM Protocol.

Three-year DSRIP projects that were submitted by providers by December 31, 2013 but not approved by the state are not approved at this time. As described in paragraph 18 of the PFM protocol, these providers will have a one-time opportunity to revise their projects for a secondary review by the state and its independent assessor. In addition, all three-year projects are subject to review by the state's independent assessor during the DSRIP mid-point assessment, as described in paragraph 19 of the PFM protocol.

Your CMS point of contact is Dr. Paul Boben. He is available to answer any questions concerning your section 1115 demonstration. Dr. Boben's contact information is as follows:

Centers for Medicare & Medicaid Services  
Center for Medicaid & CHIP Services  
Division of State Demonstrations and Waivers  
7500 Security Boulevard  
Mail Stop: S2-01-16  
Baltimore, MD 21244-1850  
Telephone: (410) 786-6629  
Facsimile: (410) 786-8534  
E-mail: paul.boben@cms.hhs.gov

Official communications regarding program matters should be sent simultaneously to Dr. Boben and to Mr. Bill Brooks, Associate Regional Administrator in our Dallas Regional Office. Mr. Brooks' address is:

Bill Brooks  
Centers for Medicare & Medicaid Services  
1301 Young St. Suite 714  
Dallas, TX 75202  
Telephone: (214) 767-4461  
E-mail: Bill.Brooks@cms.hhs.gov

If you have questions regarding this approval, please feel free to contact me or either of the contacts listed above.

Sincerely,



Diane T. Gerrits  
Director  
Division of State Demonstrations and Waivers

Enclosures

cc: Bill Brooks, Associate Regional Administrator, Region VI

**Attachment –  
CMS Review of Revisions for Regional Healthcare Partnership (RHP) 4**

**Overview**

As described in the accompanying letter, CMS conducted its 45-day review of three-year DSRIP projects accordance with paragraph 15.a of the Texas 1115 demonstration Program Funding and Mechanics (PFM) protocol. The results of CMS’s review are described below for the three-year DSRIP project additions to the RHP 4 plan submitted May 2, 2014.

**Table 1 - Initially approved projects**

The following 6 three-year category 1 and 2 projects, submitted by the state May 2, 2014, are initially approved and may begin claiming DSRIP funding for documenting achievement of the specified milestones in accordance with the requirements set forth in the PFM protocol. For demonstration year (DY) 3 CMS is initially approving a total of \$2,968,816. Approval for DY 4 and 5 is contingent on the mid-point assessment, as described in paragraph 18 of the PFM protocol.

| Unique Project ID | Project Option | Provider Name                                       | Project Title (Provided by the state)   | Initially approved DY 3 project value (total computable) |
|-------------------|----------------|---|---|--|
| 121785303.1.100   | 1.7.2          | Gonzales Healthcare Systems                         | Implement remote patient monitoring programs for diagnosis and/or management of care – Continuous Glucose Monitoring  | \$8,470  |
| 130958505.1.100   | 1.6.2          | Corpus Christi-Nueces County Public Health District | Establish / expand access to medical advice and direction to the appropriate level of care to reduce Emergency Department use for non-emergent conditions and increase patient access to health care                    | \$865,000  |
| 137907508.1.100   | 1.13.1         | Citizens Medical Center                             | Develop Extended Observation Unit for behavioral health crisis stabilization as an alternative to hospitalization   | \$720,000  |
| 137907508.1.101   | 1.9.2          | Citizens Medical Center                             | Improve access to specialty care  | \$720,000  |
| 138305109.2.100   | 2.9.1          | MHMR of Nueces County                               | Provide navigation services to targeted patients who are at high risk of disconnect from institutionalized health care (for example, patients with multiple chronic conditions, cognitive impairments and disabilities, | \$334,118  |

**Attachment –  
CMS Review of Revisions for Regional Healthcare Partnership (RHP) 4**

| Unique Project ID | Project Option | Provider Name         | Project Title (Provided by the state)   | Initially approved DY 3 project value (total computable) |
|-------------------|----------------|-----------------------|---|--|
|                   |                |                       | Limited English Proficient patients, recent immigrants, the uninsured, those with low health literacy, frequent visitors to the ED, and others) |  |
| 138305109.1.100   | 1.12.2         | MHMR of Nueces County | Expand the number of community based settings where behavioral health services may be delivered in underserved areas                            | \$321,228  |
| <b>Total</b>      |                |                       | <b>\$2,968,816</b>  |  |