



TEACHING
HOSPITALS
of TEXAS

Maureen Milligan

President & CEO

THOT Members

AUSTIN
Central Health
Seton Healthcare Family

CORPUS CHRISTI
CHRISTUS Spohn Health System
Nueces County Hospital District

DALLAS
Children's Medical Center
Parkland Health & Hospital
System
The University of Texas
Southwestern Medical Center

EL PASO
University Medical Center
of El Paso

FORT WORTH
JPS Health Network

GALVESTON
The University of Texas
Medical Branch

HOUSTON
Harris Health System
The University of Texas MD
Anderson Cancer Center

LUBBOCK
UMC Health System of Lubbock

MIDLAND
Midland Memorial Hospital

ODESSA
Medical Center Health System

SAN ANTONIO
University Health System

TYLER
UT Health Northeast

VICTORIA
Citizens Medical Center

Texas Sunset Commission November 13, 2014

Dear Chair Nelson and Members of the Commission:

Thank you for the opportunity to share comments today. My name is Maureen Milligan, and I am here as President and CEO of the Teaching Hospitals of Texas. Our 18 members include large urban and mid-sized public hospitals, four University of Texas health centers, children's hospitals and several affiliated non-profit health systems. Teaching Hospitals of Texas members share a mission with three core objectives: supporting access to quality care for all with a special focus on vulnerable populations; providing and coordinating essential community health services such as trauma and disaster management; and preparing for the future by training tomorrow's healthcare providers and supporting health research and healthcare transformation.

We appreciate your work and the excellent staff work that produced this first in 15 years review of Texas health and human services (HHS) enterprise. The HHS programs serve millions of Texans, providing critical care and opportunities, and also represent 37 percent of all funds in the Texas Appropriations for the current biennium. The Sunset staff have been thorough, fair, and insightful in their work to understand the programs, their impacts on Texans using HHS services, and on the providers through whom care and services are rendered. Congratulations on a job well done.

We look forward to working with you and continuing our conversations with your staff. On behalf of our membership, I would like to share the following considerations related to the report recommendations.

1. We support recommendations to align HHS programs and payments with incentives for quality. This should include benefits for achieving quality metrics and not just penalties for lower performance. It is also critical that methodologies and data being used to assess quality be transparent, reliable and accurately reflect provider performance.

Saving lives today, preparing for tomorrow.

2. We support continued improvements in HMO integration and coordination of program and financial policy within HHS. HMOs are under contract to provide care to the majority of Medicaid and CHIP enrollees. Therefore, program and financial policies need to be aligned vertically within the health delivery system (e.g., through an HMO, hospital systems and physicians) so everyone is rowing in the same direction. It is also important that everyone equally share in the incentives for jointly achieving quality outcomes for Texans and Texas health care.
3. We support the recommendations to ensure clear, transparent, and methodologically sound processes and reviews within the Office of the Inspector General (OIG). Our members are committed to providing care consistent with state policy and OIG oversight. However, to do so they need clarity, transparency and consistency of performance expectations. We look forward to continuing work with HHSC and OIG to share requirements and expectations on the front end of providing services; again, so we are all rowing the same direction with regard to ensuring quality of care provided efficiently and effectively.
4. We support the value of a review of HHS' advisory committees and their work to best use advisory input without duplicating functions and committee activities. At the same time, advisory committees create real value by bringing public, technical and advisory input to bear in the agency's thinking about health care policy, financing and implementation. Committees like the Hospital Payment Advisory Committee bring technical expertise and feedback to the agency in a public setting in which all stakeholders are invited to participate and move conversations and policy discussions forward. We believe this approach, when coupled with an agency commitment to transparency and active stakeholder engagement throughout the policy process, results in better policies, outcomes and more successful policy implementation. For example, the HHS Commission Rate Analysis Department actively seeks input and engages with all interested stakeholders, and facilitates an effective policy process.
5. Finally, whatever the final organizational structure of HHS system, we believe it is critical that throughout any re-organization process and on an ongoing basis, HHSC have a sufficient number of staff with the experience and expertise needed to successfully lead, assess and oversee HHS programs. Management of these programs has gotten increasingly technical and sophisticated, requiring expertise in analytics, project management, financing, and program history and understanding. It is critical that the agency have the resources it needs to successfully organize and manage for performance.

Teaching Hospitals of Texas and its members thank you for your work, and look forward to working with you to support and implement your vision of Texas' health care future.