

Issue Sheet—Delivery System Reform Incentive Payment (DSRIP) Program *(Updated Feb. 7, 2018)*

In 2012, Central Health began investing in 33 projects to transform health care in Travis County through the Delivery System Reform Incentive Payment (DSRIP) program. The scope of projects range from developing health care infrastructure to the most intensive hospital care.

Emphasis of DSRIP projects

- Deliver better care
- Utilize the most appropriate setting
- Create a good patient experience

Background

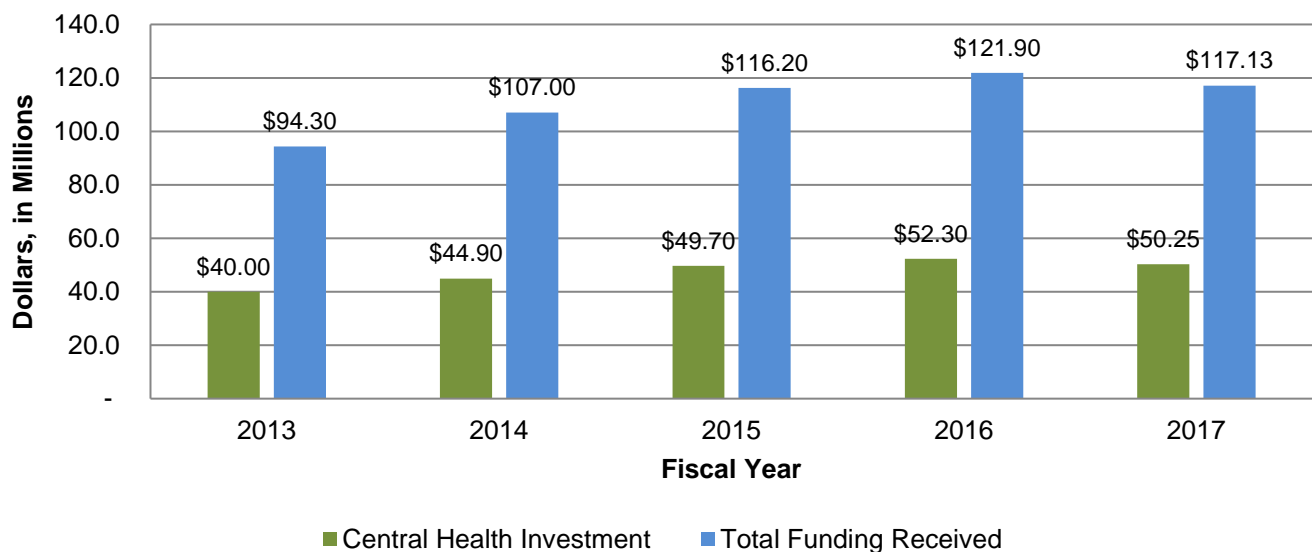
In July 2011, the Texas Health and Human Services Commission (HHSC) announced the implementation of the Texas Healthcare Transformation and Quality Improvement Program, also referred to as the 1115 Medicaid Waiver (Waiver). The Waiver is designed to accomplish two things:

- Preserve federal funding for uncompensated care costs incurred by hospitals for treating uninsured and Medicaid patients;
- Provide additional federal funds for transformative projects that enhance health care delivery through the DSRIP program.

Return on Investment

Central Health provides the local funding for DSRIP projects overseen by local hospitals and the Community Care Collaborative, the non-profit partnership between Central Health and Seton Healthcare Family. The projects are risk-based and do not result in payment unless specific performance metrics or outcomes are achieved. The chart below demonstrates the local investment provided by Central Health (green) and the total amount of funding received with the addition of federal matching funds (blue). Since 2012, these projects have earned more than \$439 million.

Central Health DSRIP Return on Investment





Local Impact

DSRIP projects have impacted the health of Central Health's patient population significantly over the past several years. As of the completion of the last reporting period (Fiscal Year 2016) DSRIP projects had provided:

- Over 7,700 navigation services for hospital patients;
- 1,800 telepsychiatry consultations in emergency rooms,
- 2,500 mammograms and cervical cancer screenings
- 3,000 telepsychiatry consultations,
- 35,000 hours of after-hours primary care visits,
- Increase of the Hepatitis-C cure rates from 20% to 90% (over 500 patients cured),
- Reduction pulmonology service wait times from four months (2013) to less than 30 days,
- Dental services for more than 6,000 chronic disease patients.

Future of DSRIP

The Waiver was initially approved as a five-year demonstration program ending September 2016 and an extension was granted by the Centers for Medicare and Medicaid Services (CMS) to take the program through December 2017. In December, CMS and HHSC reached an agreement to extend the Waiver for an additional five years, through September 2022. According to the agreement:

- Funding for DSRIP programs will remain at current levels through fiscal year 2019,
- DSRIP funding will be phased out during fiscal years 2020-21 and then discontinued.

DSRIP was never intended as a permanent source of funding for local health care delivery. Central Health is using the experiences and lessons learned through the DSRIP projects to continue building a safety-net health care system that funds health care providers based on their success in improving patient health outcomes, rather than just the volume of patients treated.