

The Honorable Dan Patrick
Lieutenant Governor of Texas

The Honorable Dade Phelan
Speaker of the House



December 19, 2023

Dear Lieutenant Governor Patrick and Speaker Phelan,

To improve health and health care in Texas, the 84th Legislature created the Texas Health Improvement Network (THIN), a multi-institutional, cross-sector network of researchers, experts, and leaders in population health improvement. THIN has developed a set of interim charge recommendations for your consideration, summarized below:

1. Identify strategies to support health-related workforce recruitment, retention, and training.
2. Report on strategies to incentivize providers, Medicaid managed care organizations, and community partners to integrate social needs screening, referrals, and outcome measures in Medicaid and CHIP.
3. Examine the role a statewide perinatal database could play in driving quality improvement and priority outcomes for maternal and neonatal health.
4. Identify opportunities to leverage federal dollars to improve health outcomes and reduce costs.
5. Assess strategies to mitigate the impact of substance misuse in Texas.
6. Evaluate environmental impacts of extreme weather on health and related vulnerabilities for at-risk populations and identify ways to mitigate health risks and improve health and well-being.
7. Evaluate state policy options to maximize the benefit of AI in healthcare delivery and population health management while mitigating potential harms.
8. Study physical trauma and injury prevention in children.
9. Study the effects of social media and electronic use on the physical and mental health of children and youth and identify strategies that would be helpful in mitigating negative effects.
10. Identify ways to address the obesity epidemic and improve health outcomes.

These suggested charges, which are described in greater detail in the following document, are intended to advance what we believe are key opportunities for improving the health and health care of Texans in a strategic and fiscally responsible manner.

Sincerely,

A handwritten signature in black ink, appearing to read "David Lakey MD".

David L. Lakey, M.D.
THIN Executive Sponsor
Vice Chancellor for Health Affairs & Chief Medical Officer
The University of Texas System

A handwritten signature in black ink, appearing to read "Lewis Foxhall MD".

Lewis Foxhall, M.D.
THIN Chair
Vice President of Health Policy
UT MD Anderson Cancer Center

Texas Health Improvement Network 2023 Interim Charge Recommendations

1. Identify strategies to support health-related workforce recruitment, retention and training.

The vast majority of Texas counties are health professional shortage areas, and this crisis has only become worse because of the COVID pandemic. As of October 2021, it was reported that 18% of health care workers in the US had quit their jobs during the COVID-19 pandemic, and among those who had kept their jobs, 31% had considered leaving.¹ Working conditions, inadequate staffing and other factors such as inability to find affordable child care contributed to the exodus. Workforce shortages are resulting in decreased access and quality of care. This is especially true for mental health professionals, where 80% of Texas counties are designated by the Health Services and Resources Administration (HRSA) as Mental Health Professional Shortage areas.

Texas needs to rapidly identify and implement solutions that will build and broaden the number of individuals entering health care fields, increase retention of its current workforce, and increase recruitment from outside Texas. Areas of focus should include both the primary and behavioral health workforce including the full spectrum of providers such as nurses, physicians, medical assistants, nursing aides, social workers, counselors, qualified mental health professionals, peer support specialists, and recovery coaches. Furthermore, Texas should evaluate ways to maximize the efficiency of Texas' health care workforce including enabling team-based health care, leveraging telehealth, and promoting integrated physical and behavioral health care.

2. Report on strategies to incentivize providers, Medicaid managed care organizations, and community partners to integrate social needs screening, referrals, and outcome measures in Medicaid and CHIP.

Much of what is required for a person to stay healthy resides outside the traditional healthcare system. To better address the social and environmental factors impacting their patients' health, health care system innovators are partnering with social service sectors and integrating non-healthcare services into their practices. In doing so they can address upstream factors impacting health, including access to safe and permanent housing, legal counsel, stable employment, and healthy foods. These efforts offer the promise of delivering greater value in terms of improved health outcomes and reduced health care expenditures. However, much work is needed before these benefits can be achieved.

The Texas Health and Human Services Commission (HHSC) is engaging in important foundational work through efforts such as assessing the non-medical social needs of Medicaid enrollees, releasing a Medicaid and CHIP Non-Medical Drivers of Health (NMDOH) Action Plan, and working to implement standardized NMDOH screening for pregnant women in Medicaid and Thriving Texas Families as required by HB 1575 from the 88th Regular Legislative Session.

A focused study is needed to ensure this and other work leads to specific strategies that incentivize all relevant parties to integrate health-related social needs care into the healthcare delivery system in ways that improve the lives of Texans.

3. Examine the role a statewide perinatal database could play in driving quality improvement and priority outcomes for maternal and neonatal health.

Poor perinatal outcomes result in increased human and economic costs to both families and to the State. Significant costs accrue to Medicaid and the Children’s Health Insurance Program between conception and the child’s first birthday. The average hospital cost for a low birthweight infant is estimated to be between \$27,200 and \$76,700, compared with \$3,200 for a normal weight newborn. Neonatal intensive care unit hospitalizations cost approximately \$13.4 billion annually to care for low birthweight infants.ⁱⁱ Those who survive to adulthood often experience serious physical and mental problems, which significantly increase the costs of care throughout their life span.

Timely and accurate data is critical for Texas to make informed policy decisions and improve its perinatal outcomes. For example, extensive analyses suggest that the observed maternal mortality rates in Texas were likely due in part to reporting errors. Texans deserve a high performing Perinatal Data System that will reduce data reporting errors/duplication, enhance the accuracy of critical data collection, increase efficiency and reduce administrative burdens for hospitals who currently report data to multiple entities, and build the needed capacity that allows for statewide quality improvement (QI) efforts.

Texas needs to bolster its ability to capture timely, actionable, patient-centric data that allows clinicians and hospitals to have a more comprehensive picture of maternal and neonatal health outcomes. There is a tremendous opportunity to be strategic and efficient about documenting, monitoring and interpreting data to accomplish the Legislature’s goals of improving the lives of mothers and babies in Texas.

4. Identify opportunities to leverage federal dollars to improve health outcomes and reduce costs.

Texas has the highest percentage of uninsured residents of any state. According to the 2022 U.S. Census American Community Survey, nearly 4.9 million Texans, or 16.6% of the state’s population, do not have health insurance, compared with 8% nationally.ⁱⁱⁱ Over 2 million Texans are currently covered by individual marketplace policies that include federal premium subsidies.^{iv} Of Texas’ 4.9 million uninsured residents, it is estimated that 2.7 million are either eligible for Medicaid, CHIP, or health insurance marketplace subsidies available to individuals and families with incomes up to 400 percent of the federal poverty level.^v

States have the option to help lower the cost of health plans via a reinsurance program. Fourteen states have already enacted 1332 waiver reinsurance programs, primarily through a reinsurance pool that reimburses insurers for the cost of specific high-cost claims, allowing rates to be set 5%-15% lower than without the reinsurance in place. The Texas Department of Insurance has explored options for such a 1332 waiver to create a reinsurance option in Texas.^{vi}

Possible opportunities for Texas include:

- Increasing outreach and education to encourage Texans currently eligible but not enrolled in existing programs (e.g., Medicaid, CHIP, premium subsidies through the health insurance marketplace) to apply.
- leveraging federal dollars to create a 1115 waiver-based program to incentivize low-income Texans to enter the health insurance marketplace with limited cost-sharing,
- developing a Texas-specific health insurance marketplace, including a reinsurance pool, in conjunction with a 1332 waiver, and
- adjusting current Medicaid reimbursement rates to make it more attractive for needed providers to join Medicaid networks.

5. Assess strategies to mitigate the impact of substance misuse in Texas.

Substance misuse increased significantly during the COVID pandemic, and in many ways touches the lives of most Texans. Texas is leveraging new funding available through both the federal government and recent legal settlements to implement a number of programs to address substance misuse. However, Texas must do more to develop innovative prevention strategies and link people suffering from substance misuse to treatment services. Building on existing initiatives, the goal of this study is to identify additional opportunities to prevent substance misuse and increase access to care for substance use disorders, including expanding the use of community

health workers (CHWs), peer supports and telehealth. Furthermore, Texas should evaluate how best to retain appropriate access to telehealth for controlled substances while addressing concerns to guard against abuse or overuse.

6. Evaluate environmental impacts of extreme weather on health and related vulnerabilities for at-risk populations and identify ways to mitigate health risks and improve health and well-being.

Extreme weather, such as the recent heat waves and winter storms, have resulted in record deaths and illnesses, especially for the most vulnerable Texans. Texas should identify strategies that can reduce these environmental impacts on Texans and ways to protect vulnerable populations from these weather events, including through preparedness and response.

7. Evaluate state policy options to maximize the benefit of AI in healthcare delivery and population health management while mitigating potential harms.

New AI tools are revolutionizing health care. Texas should explore the latest implications and applications, including how best to leverage machine learning to elevate patient care and increase efficiencies to mitigate workforce shortages.

8. Study physical trauma and injury prevention in children.

Physical trauma injuries are the leading cause of death for children and young adults. Rates of trauma injury got worse during the COVID pandemic, especially for those residing in socioeconomically disadvantaged neighborhoods, according to new research being presented at the American College of Surgeons (ACS) Clinical Congress 2023.

Texas should study the patterns of trauma and injury for children (both physical trauma and related emotional trauma) and identify ways to mitigate and reduce the escalating rates in Texas.

9. Study the effects of social media and electronic use on the physical and mental health of children and youth and identify strategies that would be helpful in mitigating negative effects.

The U.S. surgeon general issued an advisory urging action to protect children online (Social Media and Youth Mental Health: The U.S. Surgeon General’s Advisory, 2023). Just days earlier, the American Psychological Association (APA) issued its first-ever health advisory, providing recommendations to protect youth from the risks of social media (Health Advisory on Social Media Use in Adolescence, 2023). APA’s recommendations aim to add science-backed balance to

the discussion. By studying the use of social media and electronics, we can reach teens and help them use these platforms in healthier ways.

10. Identify ways to address the obesity epidemic and improve health outcomes.

According to CDC, approximately 1 in 5 children and 2 in 5 adults in the United States have obesity. These data have not only significant health implications for our population, but also significant economic and military readiness implications for Texas. The estimated economic impact of obesity is expected to be over \$30 billion per year by 2030, and just over 1 in 3 young adults aged 17-24 is too heavy to serve in our military. Among the young adults who meet weight requirements, only 3 in 4 report physical activity levels that prepare them for the challenges of basic training. Consequently, only 2 in 5 young adults are both weight-eligible and adequately active.

Retired Lieutenant General Mark Hertling stated that “The military has experienced increasing difficulty in recruiting soldiers as a result of physical inactivity, obesity, and malnutrition among our nation’s youth. Not addressing these issues now will impact our future national security.”

Texas needs to identify and study the availability of obesity prevention programs, treatment, management, and care options for its children and adults. Texas should identify and study access to healthy and nutritious foods and exercise to prevent health issues and chronic diseases (including cancer, diabetes and heart diseases) and associated costs. Included in this analysis should be an evaluation of treatments not yet covered by Medicaid or the state-employee health insurance plans with a cost-neutral or cost-positive framework for the state, including ways to improve access to new medications and reduce costs of medications for obesity. More research is needed on the long-term effects of these medications, especially for children and youth, to develop wellness and clinical strategies to best support the health of Texans.

ⁱ <https://thepcc.org/2022/01/07/nearly-1-5-health-care-workers-have-quit-their-jobs-during-pandemic>

ⁱⁱ <https://www.americashealthrankings.org/explore/measures/birthweight>

ⁱⁱⁱ <https://www.census.gov/data/tables/time-series/demo/health-insurance/acs-hi.html>

^{iv} <https://www.bakerinstitute.org/research/looking-numbers-10-years-data-affordable-care-act-reveal-benefits-texans>

^v https://texas2036.org/uninsured/?mc_cid=2a373655cb&mc_eid=3a4c3d8561

^{vi} <https://www.tdi.texas.gov/reports/documents/1332-guidance-aug-2020.pdf>