



February 16, 2021

Cecile Young
Executive Commissioner
Texas Health and Human Services Commission
PO Box 13247
Austin, Texas 78711-3247

Delivered via email to: cecile.young@hhsc.state.tx.us

Dear Commissioner Young:

On behalf of the more than 55,000 physicians and medical students represented by the Texas Pediatric Society, the Texas Chapter of the American Academy of Pediatrics, Texas Medical Association, Texas Association of Obstetricians and Gynecologists, American College of Obstetricians and Gynecologists District XI (Texas), Texas Chapter of the American College of Physicians Services, and the Texas Academy of Family Physicians, thank you for the Texas Health and Human Services Commission's (HHSC) ongoing dedication to our state's most vulnerable populations during the COVID-19 pandemic. HHSC has taken important steps to ensure that Medicaid patients get the care that is so greatly needed during this crisis.

We are writing today to draw your attention to an obstacle Texas physicians are facing: insufficient reimbursement for COVID-19 tests. Our members report difficulty getting reimbursed for the full cost of COVID-19 tests by some of the Medicaid managed care organizations (MCOs). As illustrated in a recent *New York Times* article,¹ insufficient reimbursement rates for these tests place significant financial strain on practices, some of which have now decided to no longer offer them. We anticipate seeing access to care issues for Medicaid recipients if more physicians are unable to provide testing due to inadequate reimbursement.

COVID-19 is an emerging condition that can affect multiple organ systems. As such diagnosis alone is insufficient: it is critical that patients are diagnosed *and* receive care and close follow up and monitoring

¹ Kliff, S. (February 3, 2021). *Burned by Low Reimbursements, Some Doctors Stop Testing for Covid*. New York Times. Retrieved from: <https://www.nytimes.com/2021/02/03/upshot/covid-testing-children-pediatricians.html?action=click&module=Top%20Stories&pgtype=Homepage>

within the context of the medical home. This is ever so relevant in the case of Medicaid and CHIP beneficiaries who have other complicating social, medical and behavioral health challenges that may impact their short and long-term COVID-19 recovery. It is critical for HHSC to sustain and promote medical homes by ensuring adequate COVID-19 reimbursement for testing. Doing so is critical to continuity of care and strikes at the heart of health equity.

To address this issue, we urge the commission to issue strong guidance for Medicaid and CHIP managed care organizations (MCOs) to pay for COVID-19 testing at least at cost. We also encourage HHSC to revise the Texas Incentives for Physicians and Professional Services (TIPPS) proposal, a directed payment program (DPP), to direct the MCOs to ensure adequate reimbursement for these tests. As you know, federal regulations allow states to adopt a DPP mechanism that contractually requires MCOs to adopt a minimum fee schedule for network physicians and providers for particular services. Given that HHSC has already drafted a proposed DPP program, HHSC could amend TIPPS to ensure adequate physician and provider payment for COVID-19 testing in the midst of a public health emergency. This will make sure physicians are not unduly disincentivized from providing such testing services to Medicaid and CHIP beneficiaries in Texas.

It is vital that this issue be resolved quickly so that physicians in Texas can continue providing appropriate testing to their patients for the duration of the COVID-19 crisis. Thank you for your attention to this important matter and for your continued dedication to Texans in the Medicaid and CHIP programs.

Sincerely,



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President, Texas Pediatric Society



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cc: Michelle Alletto, Chief Program and Services Officer
Stephanie Stephens, Deputy Executive Commissioner, Medicaid & CHIP Services