

Did Amerigroup terminate its Medicaid contract with UT Southwestern Medical Center and Texas Health Resources (UTSW/THR)?

After nearly two years of contract negotiations, UT Southwestern Medical Center and Texas Health Resources (UTSW/THR) has not provided timely or serious responses to Amerigroup's proposals. It was our hope that a new agreement could be reached before June 1. This decision will affect approximately 20,000 Amerigroup members in the Dallas-Fort Worth region, including individuals enrolled in our Medicare plans and some of Texas's most vulnerable and youngest Medicaid enrollees.

Why did Amerigroup and UTSW/THR not come to an agreement before this happened?

Compared to other hospital systems in Texas, the rates UTSW/THR charges for its services—including to Medicare and Medicaid patients—are higher than average. Amerigroup recognizes that those high fees are an unsustainable burden on the Health & Human Services Commission and Texas taxpayers. In addition, there is no accountability for quality written into the current contract.

Our aim in negotiating a new contract was to secure a fair agreement that balances the interests of our members, Texas taxpayers and the health system that serves them. However, UTSW/THR has been unwilling to alter its demands.

UTSW/THR has a history in the market of being inflexible in negotiations in an effort to extract high rates from managed care organizations like Amerigroup. In contrast, Amerigroup remained engaged in talks, and stated its willingness to hold off on any final decisions until after the COVID-19 crisis had passed.

What kind of impact will this termination have on COVID-19 patients and their coverage?

Amerigroup members affected by COVID-19 will continue to be covered. A hospital's emergency medical services are considered a covered benefit and therefore do not require pre-authorization, regardless of where they are delivered. UTSW/THR hospitals must provide services for Amerigroup consumers requiring emergency care, including treatment for COVID-19. Coverage will be provided according to the consumer's benefits.

What about members being treated for ongoing conditions such as cancer or other long-term conditions?

If UTSW/THR follows through on its intention to leave Amerigroup's network, we will help our members make seamless transitions to new care providers and facilities. Consumers who wish to request continuity of care should contact Amerigroup by calling the number on the back of their health insurance ID card or by visiting www.myamergroup.com/tx.

If an Amerigroup Medicare or Medicaid member began a course of treatment with UTSW/THR before June 1, 2020, for one of the following conditions, he or she may be eligible to receive continuity of care:

- The member is in an active course of treatment for an acute medical condition, behavioral health condition, or serious chronic condition.
- The member is pregnant, regardless of trimester.
- The member has a terminal illness.
- The member is a child between the ages of birth and 36 months.
- The member has a surgery or other procedure that was authorized before June 1, 2020 and is scheduled within 180 days after the contract's termination date.

What will happen to the Medicare and Medicaid patients who can no longer use Amerigroup coverage to receive care at UTSW/THR facilities?

Approximately 20,000 Medicare and Medicaid recipients in Texas will no longer be able to use UTSW/THR care at in-network rates. They can continue to use UTSW/THR facilities at out-of-network costs, which are significantly higher, or they can try to find care at other facilities.

Amerigroup has a network of more than 60,000 providers statewide and recently welcomed three additional Baylor Scott & White health facilities to the network. These new additions are located in the same region served by UTSW/THR and offer high quality options to meet the health care needs of Amerigroup members.

Just how high were UTSW/THR's contract demands?

UTSW/THR rates are some of the highest among all health systems in Texas. For example, the average cost per day in their facilities is 50 percent higher than our other in-network hospitals in north Texas and some of its rates are nearly two times the state Medicaid fee schedule. Without negotiated changes, the hospital system's demand for high rates will continue to place a cost burden on our Medicare members' premiums and the Texas Medicaid program that is supported by taxpayer dollars.

If Amerigroup is so concerned about protecting continuity of care for Medicare and Medicaid patients during COVID-19, why didn't it just take the hit and pay what UTSW/THR wanted?

UTSW/THR's high costs are making health care less affordable for our members at a time when health care affordability is more critical than ever. The burden of these high rates falls on our Medicare members through higher premiums and on Texas taxpayers who support the Medicaid program and expect Amerigroup to be a responsible steward of taxpayer dollars.

What parts of Texas are affected by UTSW/THR's termination of its relationship with Amerigroup?

This affects approximately 20,000 members in the Dallas and Fort Worth area and across Dallas and Tarrant Counties.

When UTSW/THR is officially out-of-network, how will Medicare and Medicaid patients know where to seek treatment?

In the event that an agreement is not reached with UTSW/THR by June 1, 2020, we will make every effort to assist consumers in determining their options.

- Amerigroup has a broad, statewide provider network of more than 60,000 providers statewide. The Find a Doctor feature available on www.myamerigroup.com/tx can be used to locate a participating provider your area.
- If a service is not available at an alternate participating provider, Amerigroup Medicaid members may request an out-of-network referral to see a UTSW/THR provider by contacting the Customer Service number listed on their ID card. Requests will be reviewed on a case-by-case basis, pursuant to Amerigroup's Out-Of-Network Referral Policy. When an out-of-network referral is approved by Amerigroup, the consumer's in-network benefit levels will apply. Every effort will be made to assist consumers in understanding the potential consequences of the decision to seek services from a non-participating provider or facility.
- Emergency care is always covered at in-network benefit levels. A hospital's emergency medical services do not require pre-authorization, regardless of where they are delivered. UTSW/THR hospitals must provide services for Amerigroup members requiring emergency care. Coverage will be provided according to the member's benefits.
- For a complete list of contracted hospitals, as well as ambulatory surgical centers and other ancillary facilities, please see the Amerigroup website at www.myamerigroup.com/tx. Customer Service representatives can check the provider database for a physician's admitting privileges at another nearby in-network facility. Amerigroup Texas consumers should confirm the information they receive with their treating physician.