



Center for Medicaid, CHIP and Survey & Certification

October 21, 2010

Mr. Billy Millwee
Associate Commissioner for Medicaid and
Children's Health Insurance Program
Texas Health and Human Services Commission
P.O. Box 13247
Austin, TX 78711

Dear Mr. Millwee:

Your twenty-fourth, twenty-fifth, twenty-sixth and twenty-seventh title XXI Children's Health Insurance Program (CHIP) State plan amendments (SPAs) submitted on August 6, 2010, August 12, 2010, and August 31, 2010, have been approved. These amendments have various retroactive or future effective dates.

Amendment #24, submitted on August 12, 2010, clarifies that targeted low-income children in the separate CHIP Perinatal Program will be deemed Medicaid eligible as newborns for 12 months of continuous coverage, if Medicaid pays for their labor and delivery on or after September 1, 2010. Amendment #25, submitted on August 6, 2010, allows children to elect hospice services without families waiving their rights to be provided services related to the treatment of a condition for which a diagnosis of terminal illness as required under section 2302 of the Affordable Care Act. This SPA has a retroactive effective date of August 1, 2010. Amendment # 26, submitted on August 31, 2010, will remove limitations on mental health services and increases co-pays on office visits and prescriptions effective March 1, 2011. The increase co-pays range from \$7 to \$25. Lastly, amendment #27, submitted August 31, 2010, applies the Medicaid prospective payment system (PPS) for CHIP services provided by Federally-qualified health centers (FQHCs) and rural health clinics (RHCs) on or after October 1, 2009. Adopting PPS rates was a requirement under the Children's Health Insurance Program Reauthorization Act of 2009.

We appreciate Texas taking actions to come into compliance with the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA). We are encouraged by these efforts, and remain committed to assisting you as necessary while you work toward compliance with future guidance.

Your title XXI project officer is Ms. Andrea Casart. She is available to answer questions concerning this amendment and other CHIP-related issues. Ms. Casart's contact information is as follows:

Centers for Medicare & Medicaid Services
Center for Medicaid, CHIP and Survey & Certification

Page 2 – Mr. Billy Millwee

Mail Stop S2-01-16
7500 Security Boulevard
Baltimore, MD 21244-1850
Telephone: (410) 786-0742
Facsimile: (410) 786-5882
E-mail: Andrea.Casart@cms.hhs.gov

Official communications regarding program matters should be sent simultaneously to Ms. Casart and to Mr. Bill Brooks, Associate Regional Administrator in our Dallas Regional Office. Mr. Brooks' address is:

Centers for Medicare & Medicaid Services
Division of Medicaid and Children's Health
1301 Young Street, Rm 714
Dallas, TX 75202

If you have additional questions, please contact Ms. Victoria Wachino, Director, Family and Children's Health Programs Group at (410) 786-5647.

We look forward to continuing to work with you and your staff.

Sincerely,

/s/

Cindy Mann
Director

cc: Bill Brooks, ARA, CMS Region VI, Dallas