

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
1301 Young Street, Room 833
Dallas, Texas 75202



Division of Medicaid & Children's Health, Region VI

April 12, 2011

Our Reference: SPA TX 10-29

Mr. Billy Millwee
Associate Commissioner for Medicaid & CHIP
Health and Human Services Commission
Post Office Box 13247
Mail Code: H100
Austin, Texas 78711

Dear Mr. Millwee:

We have reviewed the State's proposed amendment to the Texas State Plan submitted under Transmittal Number 10-29, dated June 7, 2010. This state plan amendment updates the mental health rehabilitation services fee schedule rate and implements a one percent reimbursement reduction.

Based on the information submitted, we have approved the amendment for incorporation into the official Texas State Plan with an effective date change of September 1, 2010. A copy of the CMS-179 and the approved plan pages are enclosed with this letter.

CMS is approving this state plan amendment; however, due to concerns regarding potential problems with access to care, CMS will continue to inquire about the results of the State's planned efforts to monitor access to care to help determine whether it has been negatively affected by this rate reduction or due to the State's rate reductions. If you have any questions, please contact Cheryl Rupley at (214) 767-6278.


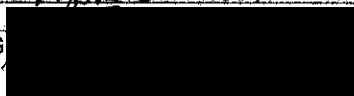
Sincerely,

A black rectangular redaction box covering the signature of Bill Brooks.

Bill Brooks
Associate Regional Administrator

Enclosures

cc: Emily Zalkovsky, Policy Development Support

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES		1. TRANSMITTAL NUMBER: 10-029	2. STATE: TEXAS
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE: September 1, 2010	
5. TYPE OF PLAN MATERIAL (Circle One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR § 440.130		7. FEDERAL BUDGET IMPACT: SEE ATTACHMENT a. FFY 2010 \$(42,126) b. FFY 2011 \$(450,033) c. FFY 2012 \$(442,688)	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: SEE ATTACHMENT TO BLOCKS 8 AND 9		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): SEE ATTACHMENT TO BLOCKS 8 AND 9	
10. SUBJECT OF AMENDMENT: The proposed amendment is an update to the mental health rehabilitative services fee schedule and implements the one percent payment reduction for reimbursements paid to mental health rehabilitation providers.			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: Sent to Governor's Office this date. Comments, if any, will be forwarded upon receipt. <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Billy R. Millwee State Medicaid Director Post Office Box 13247, MC: H-100 Austin, Texas 78711	
13. TYPED NAME: Billy R. Millwee			
14. TITLE: State Medicaid Director			
15. DATE SUBMITTED: June 7, 2010			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 7 June, 2010		18. DATE APPROVED: 12 April 2011	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1 September, 2010		20. SIGNATURE: 	
21. TYPED NAME: Bill Brooks		22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health	
23. REMARKS:			

Attachment to Blocks 8 and 9 of CMS Form 179

TX Transmittal No. 10-029, Amendment 922

**Number of the
Plan Section or Attachment**

Attachment 4.19-B
Page 20

**Number of the Superseded
Plan Section or Attachment**

Attachment 4.19-B
Page 20 (TN 07-042) (pending)

STATE	TEXAS	A
DATE REC'D	6-7-10	
DATE APPV'D	4-12-11	
DATE EFF	9-1-10	
HCFA 179	10-29	

27. Rate Determination for Rehabilitative Services

The Texas Department of State Health Services (DSHS) will reimburse qualified providers for rehabilitative services provided to Medicaid eligible persons with mental illness.

The Health and Human Services Commission (HHSC) determines reimbursement rates using a cost reporting process. Rehabilitative services providers are reimbursed a uniform, statewide, interim rate with a cost-related year-end settle-up. The interim rate is determined prospectively and at least biennially. An interim rate is set for each service type.

The interim reimbursement rates in effect on September 30, 2007 will remain in effect for the period October 1, 2007 through August 31, 2010.

Reimbursements are determined in the following manner:

1. Inclusion of certain reported expenses. Providers must ensure that all requested allowable costs are included in the cost report. The cost report must be formatted according to HHSC's specifications.
 2. Data collection. HHSC collects several different kinds of data. These include the number of units of rehabilitative services that clients receive and allowable cost data. The cost data will be derived from time-study logs, payroll records, time sheets, and general ledgers. The cost data will include allowable programmatic direct, programmatic indirect, and general and administrative overhead costs.
 - (a) Data is collected by the type of service delivered. These services are specified in Appendix 1 to Attachment 3.1-A, pages 31a to 31h, and Appendix 1 to Attachment 3.1-B, pages 31a to 31h, of the Texas Medicaid State Plan.
 - (b) A unit of service is defined as 15 continuous minutes for crisis intervention services, medication training and support, psychosocial rehabilitative services, and skills training and development, and 45-60 continuous minutes for Day programs for acute needs.
 - (c) Services are provided by staff who meet credentialing, competency, and/or training requirements promulgated by the single state agency or its designee, with the approval of the single state agency.
- The reimbursement for services effective September 1, 2010 will be equal to the reimbursement on August 31, 2010, less one percent.
 - The agency's fee schedule was revised with new fees effective for services on or after September 1, 2010. The fee schedule was posted on or before October 1, 2010.
 - All fee schedules are available through the agency's website as outlined on Attachment 4.19-B, Page 1.

TN 10-29 Approval Date 4-12-11 Effective Date 9-1-10

Supersedes TN 07-42

SUPERSEDES: TN- 07-42

Marks, Marsha L. (CMS/SC)

From: Marks, Marsha L. (CMS/SC)
Sent: Wednesday, April 13, 2011 12:10 PM
To: CMS SPA; CMS CMSO_508_SPA
Cc: Rupley, Cheryl A. (CMS/SC); Prisby, Karen L. (CMS/CMCHO); CASTRO, JOHN B. (CMS/SC); Spencer, Rene (CMS/CMCHO); Cieslicki, Mary E. (CMS/CMCS)
Subject: Final Approval Pkg for TX 10-29
Attachments: TX1029APPROVAL.doc; Final Approval Ltr for TX 10-29.pdf

See Attached.

State: Texas

Brief Description: The plan amendment updates the Mental Health Rehabilitative service see schedule rate and implements a reimbursement reduction of one percent. The changes does not have a direct impact on Indians, Indian Health programs, or Urban Indian organizations.

Approval Date: 12 April, 2011

Effective Date: 1 September, 2010

Marsha Marks // Dept of Health & Human Services // Centers for Medicare & Medicaid Services // Dallas Regional Office // Division of Medicaid & Children's Health // Dallas Texas 75202 // 214-767-6280 // Fax 214-767-0322 // marsha.marks@cms.hhs.gov