

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-26-12  
Baltimore, Maryland 21244-1850



**Center for Medicaid, CHIP, and Survey & Certification**

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

FEB - 2 2011

RE: TN 10-73

Dear Mr. Millwee:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 10-73. This amendment revises the reimbursement methodology for non-state operated intermediate care facilities for persons with mental retardation (ICF/MR) to indicate that payment rates effective February 1, 2011 will be equal to rates in effect August 31, 2010, less three percent.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. As part of the review process the State was asked to provide information regarding access to care issues and the funding of the State share of expenditures under Attachment 4.19-D. Based upon your assurances, Medicaid State plan amendment 10-73 is approved effective February 1, 2011. We are enclosing the HCFA-179 and the amended plan page.



If you have any questions, please call Sandra Dasheiff, CPA at (214) 767-6490.

Sincerely,



Cindy Mann  
Director, CMCS

Enclosures

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| <b>TRANSMITTAL AND NOTICE OF APPROVAL OF<br/>STATE PLAN MATERIAL<br/>FOR: CENTERS FOR MEDICARE AND MEDICAID</b>  | 1. TRANSMITTAL NUMBER:<br><br><b>10-073</b>  | 2. STATE:<br><br><b>TEXAS</b> |
|  | 3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)   |                               |
| TO: REGIONAL ADMINISTRATOR<br>CENTERS FOR MEDICARE AND MEDICAID SERVICES<br>DEPARTMENT OF HEALTH AND HUMAN SERVICES  | 4. PROPOSED EFFECTIVE DATE:<br><br><b>February 1, 2011</b>   |                               |
| 5. TYPE OF PLAN MATERIAL (Circle One):<br><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:<br><br><b>42 CFR §440.150</b>  | 7. FEDERAL BUDGET IMPACT: SEE ATTACHMENT<br><br>a. FFY 2011 <b>\$(2,838,572)</b><br>b. FFY 2012 <b>\$(3,729,950)</b><br>c. FFY 2013 <b>\$(3,729,950)</b> |                               |
| 8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:<br><br><b>SEE ATTACHMENT TO BLOCKS 8 &amp; 9</b>   | 9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):<br><br><b>SEE ATTACHMENT TO BLOCKS 8 &amp; 9</b>                            |                               |
| 10. SUBJECT OF AMENDMENT:<br><br><b>The proposed amendment will revise the reimbursement methodology for non-state operated intermediate care facilities for persons with mental retardation to indicate that payment rates effective February 1, 2011 will be equal to rates in effect August 31, 2010, less 3.00 percent.</b>  |  |                               |
| 11. GOVERNOR'S REVIEW (Check One):<br><input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED:<br><input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <b>Sent to Governor's Office this date. Comments, if any, will be forwarded upon receipt.</b><br><input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL |  |                               |
| 12. SIGNATURE OF STATE AGENCY OFFICIAL:<br>   | 16. RETURN TO:<br><b>Billy R. Millwee<br/>State Medicaid Director<br/>Post Office Box 85200<br/>Austin, Texas 78711-5200</b>                             |                               |
| 13. TYPED NAME:<br><br><b>Billy R. Millwee</b>   |  |                               |
| 14. TITLE:<br><br><b>State Medicaid Director</b>   |  |                               |
| 15. DATE SUBMITTED:<br><br><b>December 22, 2011</b>  |  |                               |
| <b>FOR REGIONAL OFFICE USE ONLY</b>  |  |                               |
| 17. DATE RECEIVED:<br><b>23 Dec, 2010</b>  | 18. DATE APPROVED:<br><b>02-02-11</b>  |                               |
| PLAN APPROVED - ONE COPY ATTACHED  |  |                               |
| 19. EFFECTIVE DATE OF APPROVED MATERIAL:<br><br><b>FEB - 1 2011</b>  | 20. SIGNATURE OF REGIONAL OFFICIAL:<br>                              |                               |
| 21. TYPED NAME:<br><br><b>William Lasowski</b>   | 22. TITLE:<br><b>Deputy Director, CMCS</b>   |                               |
| 23. REMARKS:   |  |                               |

**Attachment to Blocks 8 & 9 to CMS Form 179**

**Transmittal No. 10-073**

**Number of the  
Plan Section or Attachment**

Attachment 4.19-D, ICF/MR  
Page 10

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

Attachment 4.19-D, ICF/MR  
Page 10 (TN 10-026)

**Reimbursement Methodology for Intermediate Care Facilities for Persons with Mental Retardation (ICF/MR) (continued)**

- XV. Effective September 1, 2010 through January 31, 2011, payment rates for non-state operated facilities will be equal to the rates in effect on August 31, 2010, less 1.00 percent. Effective February 1, 2011, payment rates for non-state operated facilities will be equal to the rates in effect on August 31, 2010, less 3.00 percent. These rates will be posted on the agency's website at <http://www.hhsc.state.tx.us/Medicaid/programs/rad/> on February 1, 2011.

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TN No. 10-73

Approval Date FEB -2 2011

Effective Date 2-1-11

Supersedes TN No. 10-26

**Marks, Marsha L. (CMS/SC)**

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**From:** Cooley, Mark S. (CMS/CMSO)  
**Sent:** Wednesday, February 02, 2011 12:53 PM  
**To:** Dasheiff, Sandra (CMS/CMCHO)  
**Cc:** Brooks, Bill D. (CMS/CMCHO); GOLDSTEIN, STUART S. (CMS/CMSO); Marks, Marsha L. (CMS/SC)  
**Subject:** Approval Package TX 10-073  
**Attachments:** TX 10-073.pdf

Approval Package for Texas 10-073