

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

June 21, 2010

Our Reference: SPA TX 10-014

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 10-014, dated March 30, 2010. This amendment updates the Early Childhood Intervention Specialized Services rate by an inflation factor of 5.71 percent.

Additionally, please note that when the State submits a State Plan Amendment (SPA) that may impact Indians or Indian health providers, CMS will look for evidence of the State's Tribal consultation process for that SPA. Pursuant to the new section 1902(a) (73) of the Act added by section 5006(e) of the American Recovery and Reinvestment Act (ARRA) of 2009, the State must submit evidence to CMS regarding the solicitation of advice prior to submission of the State Plan Amendment. Such consultation must include all federally-recognized tribes, Indian Health Service and Urban Indian Organizations within the State.

Based on the information submitted, we have approved the amendment for incorporation into the official Texas State Plan with an effective date change of March 15, 2010. A copy of the CMS-179 and the approved plan pages are enclosed with this letter.


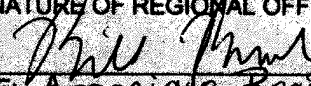
If you have any questions, please contact Ford J. Blunt at (214) 767-6381.

Sincerely,

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 & MEDICAID SERVICES		1. TRANSMITTAL NUMBER: 10-014	2. STATE: TEXAS
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE: March 15, 2010	
5. TYPE OF PLAN MATERIAL (Circle One): <input type="checkbox"/> COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment) <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
6. FEDERAL STATUTE/REGULATION CITATION: Sec. 1905(a)(13) of the Social Security Act		7. FEDERAL BUDGET IMPACT: SEE ATTACHMENT a. FFY 2010 \$ 912,705 b. FFY 2011 \$1,608,126 c. FFY 2012 \$1,588,813	
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 Early Childhood Intervention Specialized Rehabilitation Services rate.			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Sent to Governor's Office this date. Comments, if any, will <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL be forwarded upon receipt.			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Billy R. Millwee State Medicaid Director Post Office Box 13247, MC: H-100 Austin, Texas 78711-5200	
13. TYPED NAME: Billy R. Millwee			
14. TITLE: State Medicaid Director			
15. DATE SUBMITTED March 30, 2010			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 30 March, 2010		18. DATE APPROVED:	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 15 March, 2010		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Bill Brooks		22. TITLE: Associate Regional Administrator Div of Medicaid & Children's Health	
23. REMARKS:			

STATE	<u>Texas</u>
DATE REC'D	<u>3-30-10</u>
DATE APP'VD	<u>6-21-10</u>
DATE EFF	<u>3-15-10</u>
HCFR 179	<u>10-14</u>

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47. Specialized Rehabilitation Services

- (a) The Commission determines a prospective uniform reimbursement rate for the Texas Early Childhood Intervention Program (ECI) Medicaid programs. Early Childhood Intervention program providers are reimbursed according to the reimbursement methodology. The Commission determines the rate based on costs contained in the ECI providers' Time and Financial Information (TAFI) reports, which are reported on a quarterly basis. The recommended rate is determined in the following manner:
 - (1) Salaries and benefits for staff delivering services are added to allocated costs for ECI overhead and host agency administration costs. Allocations are made using time study information from the TAFI reports.
 - (2) These total costs for services are divided by the total direct service hours to calculate a cost per hour.
 - (3) The resulting total cost per hour for services is projected from the historical reporting period to the perspective rate period using the Personal Consumption Expenditures (PCE) Chain -Type Index.
 - (4) The projected total cost per hour for services is the proposed reimbursement rate. The reimbursement rate will be paid on an hourly basis, and will be pro-rated for 15-minute intervals.
 - (5) The provider's reported costs will be examined annually to determine if it is necessary to re-base the rate.
- (b) The Commission establishes the reimbursement rate following a public meeting after consideration of financial and statistical information and public testimony.
- (c) All fee schedules are available through the agency's website as outlined on Attachment 4.19-B, Page 1.
- (d) The rate of \$119.69 per hour, which has been in effect since October 1, 2006, is adjusted by applying inflation from federal fiscal year 2007 to federal fiscal year 2010 of 5.71 percent to calculate a new rate of \$126.52 to be effective March 15, 2010.
- (e) The agency's fee schedule was revised with a new rate for specialized rehabilitation services effective for services on or after March 15, 2010. The new rate will be posted within 30 days of approval of this amendment by CMS.

SUPERSEDES: TN- 03-19

TN No. 10-14

Approval Date 6-21-10

Effective Date 3-15-10

Supersedes TN No. 03-19