

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

August 25, 2010

Our Reference: SPA TX 10-025

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 10-025, dated June 7, 2010. This amendment clarifies the reimbursement methodology for renal dialysis facility services. It specifies the services included in the composite reimbursement rate.

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 July 1, 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 AND MEDICAID SERVICES		1. TRANSMITTAL NUMBER: 10-025	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: July 1, 2010	
5. TYPE OF PLAN MATERIAL (<i>Circle One</i>):			
<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 (<i>Separate Transmittal for each amendment</i>)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR § 440.90		7. FEDERAL BUDGET IMPACT: SEE ATTACHMENT a. FFY 2010 \$ 0 b. FFY 2011 \$ 0 c. FFY 2012 \$ 0	
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 (<i>If Applicable</i>): SEE ATTACHMENT TO BLOCKS 8 and 9	
10. SUBJECT OF AMENDMENT: The amendment clarifies the reimbursement methodology for renal dialysis facility services in the Medicaid State Plan. It specifies the services included in composite rate reimbursement.			
11. GOVERNOR'S REVIEW (<i>Check One</i>):			
<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL		<input checked="" type="checkbox"/> OTHER, AS SPECIFIED: Sent to Governor's Office this date. Comments, if any, will be forwarded upon receipt.	
12. SIGNATURE OF STATE AGENCY OFFICIAL:		16. RETURN TO:	
13. TYPED NAME: Billy R. Millwee		Billy R. Millwee State Medicaid Director Post Office Box 13247 MC:H-100 Austin, Texas 78711-5200	
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: 25 August, 2010	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1 July, 2010		20. SIGNATURE OF REGIONAL OFFICIAL:	
21. TYPED NAME: BILL Brooks		22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health	
23. REMARKS:			

9. Clinic Services (continued)

Renal Dialysis Facility Services

Subject to the specifications, conditions and limitations established by the single state agency, renal dialysis facility services are covered as follows:

- a) Renal dialysis facility services must be provided in a "renal dialysis facility" as defined by 42 CFR §405.2102 and other applicable federal and state laws, rules, and regulations.
- b) Covered renal dialysis facility services include outpatient dialysis and home dialysis services defined by 42 CFR §405.2102 and other applicable federal and state laws, rules, and regulations.
- c) Renal dialysis facilities must be certified by and participating in Medicare (Title XVIII of the Social Security Act) and be approved by the single state agency or its designated agent and have a written provider agreement with the single state agency.
- d) Renal dialysis facility services are furnished on an outpatient basis.

STATE	<u>Texas</u>	A
DATE REC'D	<u>6-7-2010</u>	
DATE APPV'D	<u>8-25-2010</u>	
DATE EFF	<u>7-1-2010</u>	
HC FA 179	<u>10-25</u>	

~~SUPERSEDES: TN-~~ 09-23

TN No. 10-25

Approval Date 8-25-10

Effective Date 7-1-10

Supersedes TN No. 09-23

9. Clinic Services (continued)

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46. Renal Dialysis Facility Services

- (a) Payment for in-facility renal dialysis treatment services and home renal dialysis treatment services is based upon the composite rate reimbursement methodology used by Medicare. The composite rates reflect all changes enacted by the Balanced Budget Refinement Act of 1999 (BBRA).
- (b) All required items and services included under the composite rate must be made available by the facility, either directly or under arrangements, for each dialysis patient. If the facility fails to make available (either directly or under arrangements) any item or service listed in this subsection, or any part of an item or service listed in this subsection (b), then the facility cannot be reimbursed any amount for items and services that the facility provides. Required items and services include:
- (1) medically necessary dialysis equipment and dialysis support equipment;
 - (2) home dialysis support services including the delivery, installation, maintenance, repair, and testing of home dialysis equipment, and home support equipment;
 - (3) purchase and delivery of all necessary dialysis supplies, except blood which is separately reimbursable under this state plan;
 - (4) routine end-stage renal dialysis (ESRD) related laboratory tests; and
 - (5) all dialysis services furnished by the facility's staff.
- (c) The following items and services also are included in the composite rate and are not billed separately when provided by a dialysis facility:

- (1) cardiac monitoring;
- (2) catheter changes;
- (3) crash cart usage for cardiac arrest;
- (4) declotting of shunts by facility staff and any supplies used to declot shunts;
- (5) dialysate used during treatment;

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TN No. 10-25 Approval Date 8-25-10 Effective Date 7-1-10

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46. Renal Dialysis Facility Services (continued)

- (6) oxygen and administration of oxygen;
 - (7) staff time used to administer blood, inject separately billable drugs, blood collection, and nonroutine peritoneal items;
 - (8) suture removal and dressing changes; and
 - (9) other items and services related to dialysis treatment, as determined by HHSC.
- (d) All fee schedules are available through the agency's website, as outlined on Attachment 4.19-B, page 1.
- (e) The agency's fee schedule contains the current fees in effect as of the date of this plan amendment, which is effective July 1, 2010, and is effective for services provided on or after that date. This fee schedule was posted on the agency's website on July 2, 2010.

SUPERSEDES: NONE - NEW PAGE

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