

## **Table of Contents**

**State/Territory Name: Texas**

**State Plan Amendment (SPA) #: 13-37**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Superseding Page List
- 4) Approved SPA Pages

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



**DIVISION OF MEDICAID & CHILDREN'S HEALTH - REGION VI**

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December 18, 2013

Our Reference: SPA TX 13-037

Ms. Kay Ghahremani  
State Medicaid Director  
Health and Human Services Commission  
Post Office Box 13247  
Mail Code H100  
Austin, Texas 78711

Dear Ms. Ghahremani:

We have reviewed the State's proposed amendment to the Texas State Plan submitted under Transmittal Number 13-37, dated September 30, 2013. This state plan amendment adjusts the payment rates for the primary home care (PHC) program to be equal to the payment rates that were in effect August 31, 2013 plus an additional \$0.28 for non-priority services. Additionally, the state plan amendment adds ten levels to the attendant compensation rate enhancement.

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, 2013. A copy of the CMS-179 and approved plan pages are enclosed with this letter.

If you have questions, please contact Cheryl Rupley at (214) 767-6278.

Sincerely,

A solid black rectangular box used to redact the signature of the sender.

Bill Brooks  
Associate Regional Administrator

cc: Becky Brownlee, Policy Development Support

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICAID AND MEDICAID</b>		1. TRANSMITTAL NUMBER:  <b>13-037</b>	2. STATE:  <b>TEXAS</b>
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICAID AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE:  <b>September 1, 2013</b>	
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: <b>42 CFR § 440.167 Section 1905(a)(24) of the Social Security Act</b>		7. FEDERAL BUDGET IMPACT: <b>SEE ATTACHMENT</b> a. FFY 2013      \$ 758,907 b. FFY 2014      \$ 9,013,202 c. FFY 2015      \$ 8,907,237	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  <b>SEE ATTACHMENT TO BLOCK 8 &amp; 9</b>		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  <b>SEE ATTACHMENT TO BLOCKS 8 &amp; 9</b>	
10. SUBJECT OF AMENDMENT:  <b>The proposed amendment will revise the rate methodology for the primary home care program to increase the base rate and will add ten new enhancement levels, resulting in 35 total levels.</b>			
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 <b>Sent to Governor's Office this date. Comments, if any, will be forwarded upon receipt.</b> <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: <b>Kay Ghahremani State Medicaid Director Post Office Box 13247, MC: H-100 Austin, Texas 78711</b>	
13. TYPED NAME: <b>Kay Ghahremani</b>			
14. TITLE: <b>State Medicaid Director</b>			
15. DATE SUBMITTED: <b>September 30, 2013</b>			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED: <b>30 September 2013</b>		18. DATE APPROVED: <b>18 December 2013</b>	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: <b>September 1, 2013</b>		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: <b>Bill Brooks</b>		22. TITLE: <b>Associate Regional Administrator Division of Medicaid &amp; Children's Health</b>	
23. REMARKS:			

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

**Transmittal Number 13-037**

**Number of the  
Plan Section or Attachment**

Attachment 4.19-B  
Page 6c  
Page 6e

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

Attachment 4.19-B  
Page 6c (TN 09-13)  
Page 6e (TN 09-47)

State: Texas  
Date Received: 9/30/13  
Date Approved: 12/18/13  
Date Effective: 9/01/13  
Transmittal Number: 13-37

- (D) Recommended payment rate for the service support cost area. The total units of service for each provider agency are summed until the median hour of service is reached. The corresponding projected expense is the weighted median cost component. The weighted median cost component is multiplied by 1.044 to calculate the recommended payment rate for the service support cost area.
- (3) Total recommended payment rate.
- (A) For nonpriority clients. The recommended payment rate is determined by summing the recommended payment rate described in IX (2) and the cost area component from IX (1)(B).
- (B) For Priority 1 clients. The recommended payment rate is determined by summing the recommended payment rate described in IX (2) and the cost area component from IX (1)(C).
- (4) For services provided on or after September 1, 2013, the nonpriority attendant cost area described in IX(1)(B) is equal to the rate in effect August 31, 2013, plus \$0.28, and the priority attendant cost area described in IX(1)(C) is equal to the rate in effect August 31, 2009, plus \$0.80. These rates will be posted on the agency's website on September 1, 2013. All rates are available through the agency's website as outlined on Attachment 4.19-B, page 1.

State: Texas  
Date Received: 9/30/13  
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- (5) Determination of attendant compensation rate component for participating contracts. HHSC will determine attendant compensation rate enhancement increments associated with each enhanced attendant compensation level. The attendant compensation rate enhancement increments will be determined by taking into consideration quality of care, labor market conditions, economic factors, and budget constraints. The attendant compensation rate enhancement increments will be determined on a per-unit-of-service basis applicable to each program or service. The rate enhancement increments were revised to add 10 new levels resulting in 35 total levels effective September 1, 2013.
- (6) Spending requirements for participating contracts. Participating contracts are subject to a spending requirement with recoupment calculated separately for their Priority and Nonpriority services as follows:

(a) For the rate years beginning September 1, 2003, and September 1, 2004:

- (1) The attendant compensation spending per unit of service will be multiplied by 1.10 to determine the adjusted attendant compensation per unit of service.

The adjusted attendant compensation per unit of service from X (6)(A)(i) will be subtracted from the accrued attendant compensation revenue to determine the amount to be recouped. If the adjusted attendant compensation per unit of service is greater than or equal to the attendant compensation revenue per unit of service, there is no recoupment.

- (3) The amount paid for attendant compensation per unit of service after adjustments for recoupment must not be less than the amount determined for nonparticipating contracts.

(b) For the rate year beginning September 1, 2005, and thereafter, the accrued attendant compensation revenue per unit of service is multiplied by 0.90 to determine the spending requirement per unit of service. The unadjusted accrued attendant compensation spending per unit of service will be subtracted from the spending requirement per unit of service to determine the amount to be recouped. If the unadjusted accrued attendant compensation spending per unit of service is greater than or equal to the spending requirement per unit of service, there is no recoupment. The amount paid for attendant compensation per unit of service after adjustments for recoupment must not be less than the amount determined for nonparticipating contracts.

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TN: 13-37

Approval Date: 12-18-13

Effective Date: 9-01-13

Supersedes TN: 9-47