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State/Territory Name: Texas

State Plan Amendment (SPA) #: 15-0030

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Superseding Page Listing
- 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

December 8, 2015

Our Reference: SPA TX 15-030

Mr. Gary Jessee
State Medicaid/CHIP Director
Health and Human Services Commission
Post Office Box 13247
Mail Code H100
Austin, Texas 78711

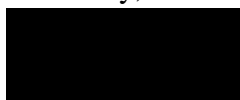
Dear Mr. Jessee:

We have reviewed the State's proposed amendment to the Texas State Plan submitted under Transmittal Number 15-030 dated September 28, 2015. This state plan amendment updates the rates for the Community First Choice (CFC) program attendant and habilitation services, personal care attendant CFC services, habilitation CFC services and the associated consumer directed services for the CFC program.

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, 2015. 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,



Bill Brooks
Associate Regional Administrator

cc: Becky Brownlee, Policy Development Support

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES		1. TRANSMITTAL NUMBER: 15-030	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, 2015	
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: Section 1915(k) of the Social Security Act; 42 CFR 441.500-590		7. FEDERAL BUDGET IMPACT: SEE ATTACHMENT a. FFY 2015 \$ 691,517 b. FFY 2016 \$8,230,399 c. FFY 2017 \$8,623,878	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: SEE ATTACHMENT TO BLOCKS 8 & 9		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): SEE ATTACHMENT TO BLOCKS 8 & 9	
10. SUBJECT OF AMENDMENT: The proposed amendment revises the rates for the Community First Choice (CFC) program to increase the CFC State Plan Rate - Attendant and Habilitation, the Personal Care Services (PCS) - Attendant CFC rate, the PCS - Habilitation CFC rate and the associated Consumer Directed Services (CDS) - CFC rates.			
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: Kay Ghahremani State Medicaid Director Post Office Box 13247, MC: H-100 Austin, Texas 78711	
13. TYPED NAME: Kay Ghahremani			
14. TITLE: State Medicaid Director			
15. DATE SUBMITTED: September 28, 2015			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 28 September 2015		18. DATE APPROVED: 8 December 2015	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1 September 2015		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Bill Brooks		22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health	
23. REMARKS:			

Attachment to Blocks 8 & 9 of CMS Form 179

Transmittal Number 15-030

**Number of the
Plan Section or Attachment**

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

Supplement 4 to Attachment 4.19-B	Supplement 4 to Attachment 4.19-B
Page 1	Page 1 (TN 14-026)
Page 2	Page 2 (TN 14-026)
Page 3	Page 3 (TN 14-026)

State: Texas
Date Received: 28 September, 2015
Date Approved: 8 December, 2015
Date Effective: 1 September, 2015
Transmittal Number: TX 15-0030

Community First Choice (CFC) Reimbursement Methodology

- (a) Except as otherwise noted in the plan, State-developed fee schedule rates are the same for both government and private providers of services provided under the CFC option. The agency's fee schedule is effective for services provided on or after June 1, 2015. All rates are published at:
<http://www.hhsc.state.tx.us/rad/long-term-svcs/index.shtml> and
<http://public.tmhpc.com/FeeSchedules/StaticFeeSchedule/FeeSchedules.aspx>.
- (b) State Plan CFC Services: Rates are established using pre-existing rates from other programs.
- (1) CFC State Plan Rate – Attendant and Habilitation: Rates will be equal to a weighted average of rates established for Community Living Assistance and Support Services (CLASS) habilitation services according to the reimbursement methodology for the CLASS waiver program and proxy rates for attendant services used in the calculation of the STAR+PLUS managed care capitation rates for the Home and Community-based Services (HCBS) risk group. The weighted average will include applicable attendant compensation rate enhancements. The fee schedule for the CFC State Plan Rate – Attendant and Habilitation was revised as of September 1, 2015. The fee schedule will be posted on the agency website on September 15, 2015.
- (A) Proxy rates are equal to rates established for attendant services under the Community Based Alternatives (CBA) waiver prior to its termination, updated for changes in allowable reported expenses and units of service.
- (B) Weighting factors assume that 30 percent of personal attendant services historically provided to existing recipients in the STAR+PLUS HCBS risk group and 100 percent of personal attendant services provided to newly eligible recipients under CFC will be for habilitation.
- (C) CLASS waiver habilitation rates and proxy rates for CBA waiver attendant services are current as of September 1, 2015.
- (2) CLASS – Attendant and Habilitation CFC: Rates will be equal to rates established for CLASS habilitation services, including applicable attendant compensation rate enhancements, according to the reimbursement methodology for the CLASS waiver program. CLASS waiver habilitation rates are current as of September 1, 2015.

State: Texas
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TN: 15-030 Approval Date: 12/08/15 Effective Date: 9/01/15
Supersedes TN: 14-026

State: Texas
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Community First Choice (CFC) Reimbursement Methodology (continued)

- (3) Deaf-Blind with Multiple Disabilities (DBMD) – Attendant and Habilitation CFC: Rates will be equal to rates established for DBMD habilitation services, including applicable attendant compensation rate enhancements, according to the reimbursement methodology for the DBMD waiver program. DBMD waiver habilitation rates are current as of September 1, 2015.
- (4) Home and Community-Based Services (HCS) – Supported Home Living (SHL) CFC: Rates will be equal to rates established for HCS SHL services, including applicable attendant compensation rate enhancements, according to the reimbursement methodology for the HCS waiver program. HCS waiver rates are current as of September 1, 2015.
- (5) Texas Home Living (TxHmL) – Community Support Services (CSS) CFC: Rates will be equal to rates established for TxHmL CSS, including applicable attendant compensation rate enhancements, according to the reimbursement methodology for the TxHmL waiver program. TxHmL waiver rates are current as of September 1, 2015.
- (6) Personal Care Services (PCS) – Attendant CFC: Rates will be equal to rates established for Early and Periodic Screening, Diagnosis and Treatment (EPSDT) PCS attendant services according to Item 32 of Attachment 4.19-B of this State plan. The fee schedule for PCS attendant services was revised September 1, 2015. The fee schedule will be posted on the agency website on September 15, 2015.
- (7) PCS – Habilitation CFC: Rates will be equal to rates established for EPSDT PCS services for recipients with a behavioral health condition according to Item 32 of Attachment 4.19-B of this State plan. The fee schedule for PCS behavioral services rates was revised September 1, 2015. The fee schedule will be posted on the agency website on September 15, 2015.
- (8) Consumer Directed Services (CDS) - CFC: The rates for CDS that provide the funds available to the consumers participating in CDS are modeled and are based on the payment rates paid to contracted agencies for providing services to consumers who do not participate in CDS, and then removing from those rates amounts needed to fund Financial Management Services Agencies' responsibilities. The fee schedule for CDS rates was revised September 1, 2015. The fee schedule for PCS, with the revised CFC CDS rate, will be posted on the agency website on September 15, 2015. The rates for CDS for all other CFC services are current as of September 1, 2015.

Community First Choice (CFC) Reimbursement Methodology (continued)

- (9) Support Consultation Services – CFC: Rates are determined by modeling the cost of providing this service using staff costs and other statistics from the most recently audited cost reports from providers for staff whose required qualifications are similar to the qualifications required for individuals delivering this service. CDS rates are current as of June 1, 2015.
- (10) CFC State Plan rate for Financial Management Services Agencies (FMSA) (only authorized for individuals receiving all of their CDS services under CFC): The monthly payment to the FMSA is determined by modeling the estimated cost to carry out the responsibilities of the FMSA. FMSA rates are current as of June 1, 2015.
- (11) Emergency Response Services (ERS) – CFC: The Health and Human Services Commission (HHSC) determines the payment rate through the analysis of financial and statistical data submitted by provider agencies on cost reports and, as deemed appropriate, a market survey analysis of emergency response equipment suppliers.
- (A) Allowable expenses are projected from the provider agency’s reporting period to the rate period using the Personal Consumption Expenditures (PCE) chaintype price index. Depreciation and mortgage interest are not adjusted for inflationary increases.
- (B) Allowable reported expenses are combined into three cost areas: responder, program operations, and facility. To determine the projected cost per unit of service, a contracted provider’s projected expenses in each cost area are divided by its total units of service for the reporting period.
- (C) The contracted providers’ projected costs per unit of service are ranked from low to high in each cost area, with corresponding units of service.
- (D) The 80th percentile cost, weighted by units of service, is determined for each cost area. The payment rate is the sum of the 80th percentile costs of the three cost areas.
- (E) ERS rates are current as of June 1, 2015.

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