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State Plan Amendment (SPA) #: 17-0004

This file contains the following documents in order listed:

1. CMS Approval Letter
2. CMS Form 179
3. Attachment to Block 7 of CMS Form 179
4. Superseding Page Listing (Attachment to Blocks 8 & 9 of CMS Form 179)
5. Approved SPA Page
June 1, 2017

Our Reference: SPA TX 17-0004

Ms. Jamie Snyder
State Medicaid/CHIP Director
Health and Human Services Commission
Post Office Box 13247
Mail Code H100
Austin, Texas 78711

Dear Ms. Snyder:

We have reviewed the State’s proposed amendment to the Texas State Plan submitted under Transmittal Number 17-0004, dated March 31, 2017. The state plan amendment updates the physicians and other practitioner’s fee schedule.

Based on the information submitted, we have approved the amendment for incorporation into the official Texas State Plan with the effective date of January 1, 2017. A copy of the CMS-179 and the approved plan pages are enclosed with this letter.

If you have any questions, please contact Ford Blunt of my staff. Mr. Blunt may be reached at (214) 767-6381 or by email at Ford.Blunt@cms.hhs.gov.

Sincerely,

Bill Brooks
Associate Regional Administrator

Cc: Dana Williamson, Policy Development Support
**TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL**

**FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES**

1. **TRANSMITTAL NUMBER:** 17-0004

2. **STATE:** TEXAS

3. **PROGRAM IDENTIFICATION:** TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

4. **PROPOSED EFFECTIVE DATE:** January 1, 2017

5. **TYPE OF PLAN MATERIAL (Circle One):**
   - NEW STATE PLAN
   - AMENDMENT TO BE CONSIDERED AS NEW PLAN
   - AMENDMENT

6. **FEDERAL STATUTE/REGULATION CITATION:**
   - Social Security Act §1902(a)(30); 42 CFR 447.201(b).

7. **FEDERAL BUDGET IMPACT:**
   - a. FFY 2017: ($1,256,662)
   - b. FFY 2018: ($1,697,867)
   - c. FFY 2019: ($1,691,234)

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 **PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):**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 updates the physicians' and other practitioners' fee schedule.

11. **GOVERNOR'S REVIEW (Check One):**
    - OTHER, AS SPECIFIED: Sent to Governor's Office this date. Comments, if any, will be forwarded upon receipt.

12. **SIGNATURE OF STATE AGENCY OFFICIAL:** [Signature]

13. **TYPED NAME:** Jamil Snyder
    - State Medicaid Director
    - Post Office Box 13247, MC: H-100
    - Austin, Texas 78711

14. **TITLE:** State Medicaid Director

15. **DATE SUBMITTED:** March 31, 2017

16. **RETURN TO:**
    - Jamil Snyder
    - State Medicaid Director
    - Post Office Box 13247, MC: H-100
    - Austin, Texas 78711

17. **DATE RECEIVED:** March 31, 2017

18. **DATE APPROVED:** June 1, 2017

19. **EFFECTIVE DATE OF APPROVED MATERIAL:** January 1, 2017

20. **SIGNATURE OF REGIONAL OFFICIAL:** [Signature]

21. **TYPED NAME:** Bill Brooks

22. **TITLE:** Associate Regional Administrator
    - Division of Medicaid and Children's Health

23. **REMARKS:**

**RECEIVED**

JUN 01 2017

OFFICE OF THE STATE MEDICAID DIRECTOR
**Attachment to Blocks 8 & 9 of CMS Form 179**

Transmittal Number 17-0004

<table>
<thead>
<tr>
<th>Number of the Plan Section or Attachment</th>
<th>Number of the Superseded Plan Section or Attachment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attachment 4.19-B</td>
<td>Attachment 4.19-B</td>
</tr>
<tr>
<td>Page 1a.3</td>
<td>Page 1a.3 (TN 16-0026)</td>
</tr>
</tbody>
</table>

State: Texas  
Date Received: 03-31-2017  
Date Approved: 06-01-2017  
Date Effective 01-01-2017  
Transmittal Number: TX 17-0004
1. Physicians and Other Practitioners (continued)

(f) When a procedure code is nationally discontinued, a replacement procedure code is nationally assigned for the discontinued procedure code, and Medicaid implements the replacement procedure code, a state plan amendment will not be submitted since the fee for the service has not changed.

(g) To ensure access to care and prompt provider reimbursement, when a new national procedure code is assigned to a physician-administered drug or biological product, a preliminary reimbursement rate will be established by the Texas Health and Human Services Commission (HHSC) based on the published Medicare reimbursement rate; or the average wholesale price (AWP) in the absence of a Medicare reimbursement rate for the procedure code or the comparable code. In accordance with 42 CFR §447.205(b)(1), a public notice and state plan amendment will not be submitted for this preliminary reimbursement rate. This will allow the new procedure code to be payable as the reimbursement process is completed with a public notice published and a state plan amendment submitted.

(h) All fee schedules are available through the agency’s website, as outlined on Attachment 4.19-B, page 1.

(i) The agency’s fee schedule was revised with new fees for services provided by physicians and other practitioners affiliated with tuberculosis clinics or employed by tuberculosis clinics, effective January 1, 2017, and this fee schedule was posted on the agency’s website on January 15, 2017.

(j) The agency’s fee schedule was revised with new fees for physicians effective January 1, 2017, and this fee schedule was posted on the agency’s website on April 15, 2017.