

## **Table of Contents**

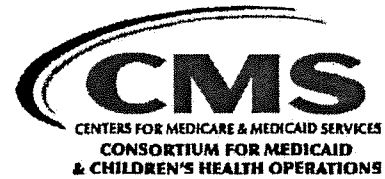
### **State Plan Amendment**

#### **SPA 17-0021 (Therapy Fees - 09/01/17)**

This file contains the following documents in order listed:

1. CMS Approval Letter
2. CMS Form 179
3. Superseding Page Listing (Attachment to Blocks 8 & 9 of CMS Form 179)
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 - REGIONVI**

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December 11, 2017

**Our Reference: SPA TX 17-0021**

Ms. Stephanie Muth  
State Medicaid Director  
Texas Health and Human Services Commission  
Mail Code: H100  
P.O. Box 13247  
Austin, Texas 78711

**RECEIVED**

DEC 12 2017

OFFICE OF THE STATE  
MEDICAID DIRECTOR

Dear Ms. Muth:

We have reviewed the State's proposed amendment to your Medicaid State Plan submitted under Transmittal Number (TN) 17-0021, dated September 19, 2017. This amendment updates Medicaid payments and Medicaid fee schedules for physical, occupational, and speech therapy services.

Based on the information submitted, we have approved the amendment for incorporation into the official Texas state plan with an effective date of September 1, 2017, as requested. A copy of CMS 179 form as well as the approved plan pages are included 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 e-mail at [Ford.Blunt@cms.hhs.gov](mailto:Ford.Blunt@cms.hhs.gov).

Sincerely,



Bill Brooks  
Associate Regional Administrator

cc: Dana Williamson, Manager, Policy Development Support

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b> <b>FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES</b>	1. TRANSMITTAL NUMBER:  <b>17-0021</b>	2. STATE:  <b>TEXAS</b>						
	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:  <b>September 1, 2017</b>							
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 § 440.40, 42 CFR § 441.55, and § 1905(r) of the Social Security Act (relating to Early and Periodic Screening, Diagnosis and Treatment); 42 CFR § 440.50(a) and § 1905(a)(5)(A) of the Social Security Act (relating to Physician Services); 42 CFR § 440.60(a) and § 1905(a)(6) of the Social Security Act (relating to Licensed Practitioners); 42 CFR § 440.210(a)(1), 42 CFR § 440.225, and § 1902(a)(10) of the Social Security Act (relating to Required Services for Categorically Needy and Medically Needy and relating to mandatory services); 42 CFR § 440.70 and § 1905(a)(7) of the Social Security Act (relating to Home Health Services).	7. FEDERAL BUDGET IMPACT:  <table border="0"> <tr> <td>a. FFY 2017</td> <td>\$ 23,775</td> </tr> <tr> <td>b. FFY 2018</td> <td>\$(143,980)</td> </tr> <tr> <td>c. FFY 2019</td> <td>\$(668,358)</td> </tr> </table>	a. FFY 2017	\$ 23,775	b. FFY 2018	\$(143,980)	c. FFY 2019	\$(668,358)	SEE ATTACHMENT
a. FFY 2017	\$ 23,775							
b. FFY 2018	\$(143,980)							
c. FFY 2019	\$(668,358)							
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  <b>SEE ATTACHMENT TO BLOCKS 8 &amp; 9</b>	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ): <b>SEE ATTACHMENT TO BLOCKS 8 &amp; 9</b>							
10. SUBJECT OF AMENDMENT:  <b>The proposed amendment updates Medicaid payments and Medicaid fee schedules for physical, occupational, and speech therapy services.</b>								
11. GOVERNOR'S REVIEW ( <i>Check One</i> ):  <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:  <b>Jami Snyder State Medicaid Director Post Office Box 13247, MC: H-100 Austin, Texas 78711</b>							
13. TYPED NAME: <b>Jami Snyder</b>								
14. TITLE: <b>State Medicaid Director</b>								
15. DATE SUBMITTED: <b>September 19, 2017</b>								
<b>FOR REGIONAL OFFICE USE ONLY</b>								
17. DATE RECEIVED: <b>September 19, 2017</b>	18. DATE APPROVED: <b>December 11, 2017</b>							
PLAN APPROVED – ONE COPY ATTACHED								
19. EFFECTIVE DATE OF APPROVED MATERIAL: <b>September 1, 2017</b>	20. SIGNATURE OF REGIONAL OFFICIAL: 							
21. TYPED NAME: <b>Bill Brooks</b>	22. TITLE: <b>Associate Regional Administrator Division of Medicaid and Children's Health</b>							
23. REMARKS:  <b>RECEIVED</b>								

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

**Transmittal Number 17-0021**

**Number of the  
Plan Section or Attachment**

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

Attachment 4.19-B

Page 1a.3

Page 3

Page 25e

Page 25f

Page 25g

Page 25i

Attachment 4.19-B

Page 1a.3 (TN 17-0016)

Page 3 (TN 16-0023)

Page 25e (TN 16-0023)

Page 25f (TN 16-0023)

Page 25g (TN 16-0023)

Page 25i (TN 16-0023)

State: Texas

Date Received: September 19, 2017

Date Approved: December 11, 2017

Effective Date: September 1, 2017

Transmittal Number: 17-0021

**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. 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 July 1, 2017, and this fee schedule was posted on the agency's website on July 15, 2017.
- (j) The agency's fee schedule was revised with new fees for physicians effective September 1, 2017, and this fee schedule was posted on the agency's website on October 15, 2017.
- (k) The agency's fee schedule was revised with new fees for therapy assistants. Effective December 1, 2017, the reimbursement for therapy assistants will equal 85 percent of the payment to a therapist. Effective September 1, 2018, the reimbursement for therapy assistants will equal 70 percent of the payment to a therapist.

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TN: 17-0021 Approval Date: 12-11-17  
Supersedes TN: 17-0016 Effective Date: 09-01-17

State: Texas  
Date Received: September 19, 2017  
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Transmittal Number: 17-0021

## 8. Home Health Services

### (a) Professional Services

- (1) Home health agencies are reimbursed for authorized professional home health services, including skilled nursing visits and therapy visits, delivered to eligible Medicaid recipients, the lesser of the provider's billed charges or the fee schedule established by HHSC.
- (2) All fee schedules are available through the agency's website as outlined on Attachment 4.19-B, Page 1.
- (3) The agency's fee schedule was revised with new fees for home health professional services and durable medical equipment prosthetics, orthotics, and supplies effective September 1, 2017, and this fee schedule will be posted on the agency's website on October 15, 2017.
- (4) The agency's fee schedule was revised with new fees for therapy assistants. Effective December 1, 2017, the reimbursement for therapy assistants will equal 85 percent of the payment to a therapist. Effective September 1, 2018, the reimbursement for therapy assistants will equal 70 percent of the payment to a therapist.

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TN: 17-0021 Approval Date: 12-11-17  
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State: Texas  
Date Received: September 19, 2017  
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Transmittal Number: 17-0021

**32. Reimbursement Methodologies for Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Services - continued**

**6. Physical therapy (PT)**

- (a) Services reimbursable only for Medicaid-eligible clients under age 21 include those delivered by the following provider types:
- (1) Medicare-certified outpatient facilities known as comprehensive outpatient rehabilitation facilities (CORFs) and outpatient rehabilitation facilities (ORFs) in accordance with Item 1 of Attachment 4.19-B, relating to the reimbursement methodology for physicians and other practitioners. Payments based on a fee schedule are made for these services.
  - (2) School districts in accordance with Item 32(17) of Attachment 4.19-B, relating to the reimbursement methodology for School Health and Related Services (SHARS).
  - (3) Home health agencies' reimbursement rates are determined by the Texas Health and Human Services Commission (HHSC). Payments based on a fee schedule are made for these services.
- (b) All fee schedules are available through the agency's website as outlined on Attachment 4.19-B, page 1.
- (c) The agency's fee schedule was revised with new fees for EPSDT physical therapy services effective September 1, 2017. The fee schedule will be posted on the agency website on , October 15, 2017.
- (d) The agency's fee schedule was revised with new fees for therapy assistants. Effective December 1, 2017, the reimbursement for therapy assistants will equal 85 percent of the payment to a therapist. Effective September 1, 2018, the reimbursement for therapy assistants will equal 70 percent of the payment to a therapist.

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**32. Reimbursement Methodologies for Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Services - continued**

**7. Occupational therapy (OT)**

- (a) Services reimbursable only for Medicaid-eligible clients under age 21 include those delivered by the following provider types:
- (1) Medicare-certified outpatient facilities known as comprehensive outpatient rehabilitation facilities (CORFs) and outpatient rehabilitation facilities (ORFs) in accordance with Item 1 of Attachment 4.19-B, relating to the reimbursement methodology for physicians and other practitioners. Payments based on a fee schedule are made for these services.
  - (2) School districts in accordance with Item 32(17) of Attachment 4.19-B, relating to the reimbursement methodology for School Health and Related Services (SHARS).
  - (3) Home health agencies' reimbursement rates are determined by the Texas Health and Human Services Commission (HHSC). Payments based on a fee schedule are made for these services.
- (b) All fee schedules are available through the agency's website as outlined on Attachment 4.19-B, page 1.
- (c) The agency's fee schedule was revised with new fees for EPSDT occupational therapy services effective September 1, 2017. The fee schedule will be posted on the agency website on October 15, 2017.
- (d) The agency's fee schedule was revised with new fees for therapy assistants. Effective December 1, 2017, the reimbursement for therapy assistants will equal 85 percent of the payment to a therapist. Effective September 1, 2018, the reimbursement for therapy assistants will equal 70 percent of the payment to a therapist.

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**32. Reimbursement Methodologies for Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Services - continued**

**8. Speech and language**

- (a) Services reimbursable only for Medicaid-eligible clients under age 21 include those delivered by the following provider types:
- (1) Medicare-certified outpatient facilities known as comprehensive outpatient rehabilitation facilities (CORFs) and outpatient rehabilitation facilities (ORFs) in accordance with Item 1 of Attachment 4.19-B, relating to the reimbursement methodology for physicians and other practitioners. Payments based on a fee schedule are made for these services.
  - (2) School districts in accordance with Item 32(17) of Attachment 4.19-B, relating to the reimbursement methodology for School Health and Related Services (SHARS).
  - (3) Home health agencies' reimbursement rates are determined by the Texas Health and Human Services Commission (HHSC). Payments based on a fee schedule are made for these services.
- (b) All fee schedules are available through the agency's website as outlined on Attachment 4.19-B, page 1.
- (c) The agency's fee schedule was revised with new fees for EPSDT speech and language services effective September 1, 2017. The fee schedule will be posted on the agency website on October 15, 2017.
- (d) The agency's fee schedule was revised with new fees for therapy assistants. Effective December 1, 2017, the reimbursement for therapy assistants will equal 85 percent of the payment to a therapist. Effective September 1, 2018, the reimbursement for therapy assistants will equal 70 percent of the payment to a therapist.

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**32. Reimbursement Methodologies for Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Services - continued**

**10. Physician services**

- (a) Services reimbursable only for Medicaid-eligible clients under age 21 include:
- (1) Vaccines not covered by the Texas Vaccines for Children Program (TVCP) for clients under age 21 which are reimbursed as accessed-based fees in accordance with Item 1 of Attachment 4.19-B, relating to the reimbursement methodology for physicians and certain other practitioners. Payments based on a fee schedule are made for these services.
  - (2) Services delivered by school districts, in accordance with Item 32(17) of Attachment 4.19-B, relating to the reimbursement methodology for School Health and Related Services (SHARS).
- (b) All fee schedules are available through the agency's website as outlined on Attachment 4.19-B, page 1.
- (c) The agency's fee schedule was revised with new fees for EPSDT physician services effective September 1, 2017. The fee schedule was posted on the agency website on October 15, 2017.
- (d) The agency's fee schedule was revised with new fees for therapy assistants. Effective December 1, 2017, the reimbursement for therapy assistants will equal 85 percent of the payment to a therapist. Effective September 1, 2018, the reimbursement for therapy assistants will equal 70 percent of the payment to a therapist.

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