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State Plan Amendment

SPA 17-0023 Physicians Fees - *Effective 10/01/17*

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 Page
February 2, 2018

Our Reference: SPA TX 17-0023

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

Dear Ms. Muth:

We have reviewed the State’s proposed amendment to your Medicaid State Plan submitted under Transmittal Number (TN) 17-0023, dated December 13, 2017. This amendment updates the physician and other practitioners’ fee schedules.

Based on the information submitted, we have approved the amendment for incorporation into the official Texas state plan with an effective date of October 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.

Sincerely,

Bill Brooks
Associate Regional Administrator

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

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

**TO:** REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE AND MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

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<table>
<thead>
<tr>
<th>1. TRANSMITTAL NUMBER:</th>
<th>17-0023</th>
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<tbody>
<tr>
<td>2. STATE:</td>
<td>TEXAS</td>
</tr>
<tr>
<td>3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)</td>
<td></td>
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<tr>
<td>4. PROPOSED EFFECTIVE DATE:</td>
<td>October 1, 2017</td>
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**5. TYPE OF PLAN MATERIAL (Circle One):**

- NEW STATE PLAN
- AMENDMENT TO BE CONSIDERED AS NEW PLAN
- AMENDMENT

**COMPLETE BLOCKS 8 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)**

**6. FEDERAL STATUTE/REGULATION CITATION:**

- Social Security Act §1902(a)(30); 42 C.F.R. § 447.201(b).

**7. FEDERAL BUDGET IMPACT:**

- a. FFY 2018: $7,288,000
- b. FFY 2019: $8,303,574
- c. FFY 2020: $9,243,130

**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 schedules.

**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:**

Stephanie Muth

**13. TYPED NAME:**

Stephanie Muth

**14. TITLE:**

State Medicaid Director

**15. DATE SUBMITTED:**

December 13, 2017

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**FOR REGIONAL OFFICE USE ONLY**

**17. DATE RECEIVED:**

December 13, 2017

**18. DATE APPROVED:**

February 2, 2018

**19. EFFECTIVE DATE OF APPROVED MATERIAL:**

October 1, 2017

**20. SIGNATURE OF REGIONAL OFFICIAL:**

Bill Brooks

**21. TYPED NAME:**

Bill Brooks

**22. TITLE:**

Associate Regional Administrator
Division of Medicaid and Children's Health

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**RECEIVED**

FORM CMS – 179 (07-92)

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

### Transmittal Number 17-0023

<table>
<thead>
<tr>
<th>Number of the Plan Section or Attachment</th>
<th>Number of the Superseded Plan Section or Attachment</th>
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<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 17-0021)</td>
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</tbody>
</table>

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**State:** Texas
**Date Received:** 12-13-2017
**Date Approved:** 02-02-2018
**Date Effective:** 10-01-2017
**Transmittal Number:** TX 17-0023
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 October 1, 2017, and this fee schedule was posted on the agency’s website on October 15, 2017.

(j) The agency’s fee schedule was revised with new fees for physicians effective October 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.