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State Plan Amendment

SPA 18-0003 Physicians Fees - Effective 01/01/2018

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
April 18, 2018

Our Reference: TX SPA 18-0003

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) 18-0003, dated March 20, 2018. This amendment updates the physicians 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 January 1, 2018, as requested. A copy of the 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
DEPARTMENT OF HEALTH AND HUMAN SERVICES

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

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 C.F.R. § 447.201(b).

7. FEDERAL BUDGET IMPACT:
SEE ATTACHMENT
a. FFY 2018 $59,439,897
b. FFY 2019 $88,037,523
c. FFY 2020 $89,264,461

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):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.

12. SIGNATURE OF STATE AGENCY OFFICIAL:
Stephanie Muth

13. TYPED NAME:
Stephanie Muth

14. TITLE:
State Medicaid Director

15. DATE SUBMITTED:
March 20, 2018

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

17. DATE RECEIVED:
March 20, 2018

18. DATE APPROVED:
April 18, 2018

21. TYPED NAME:
Bill Brooks

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

FORM CMS – 179 (07-92)

RECEIVED
APR 19 2013
OFFICE OF THE STATE MEDICAID DIRECTOR
<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 17-0022)</td>
</tr>
</tbody>
</table>

State: Texas
Date Received: 03-20-18
Date Approved: 04-18-18
Date Effective: 01-01-18
Transmittal Number: 18-0003
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, 2018, and this fee schedule was posted on the agency’s website on January 15, 2018.

(j) The agency’s fee schedule was revised with new fees for physicians effective January 1, 2018, and this fee schedule was posted on the agency’s website on January 15, 2018.

(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.