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State Plan Amendment

SPA 18-0020 Physicians Fees - Effective 10/01/2018

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
January 23, 2019

Our Reference: SPA TX 18-0020

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

Dear Ms. Muth:

We have reviewed the State’s proposed amendment to the Texas State Plan submitted under Transmittal Number 18-0020, dated December 21, 2018. This state plan amendment proposes to update 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 change of October 1, 2018. A copy of the CMS-179 and 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, Manager, Policy Development Support
**TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL**

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

1. **TRANSMITTAL NUMBER:** 18-0020
2. **STATE:** TEXAS
3. **PROGRAM IDENTIFICATION:** TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

4. **PROPOSED EFFECTIVE DATE:** October 1, 2018

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

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. **FEDERAL STATUTE/REGULATION CITATION:** Social Security Act §1902(a)(30); 42 CFR §447.201(b).
7. **FEDERAL BUDGET IMPACT:**
   - [a.] FFY 2019 $1,197,930
   - [b.] FFY 2020 $1,262,543
   - [c.] FFY 2021 $1,276,302

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 **PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):** SEE ATTACHMENT TO BLOCKS 8 & 9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):**
    - [ ] GOVERNOR'S OFFICE REPORTED NO COMMENT
    - [ ] COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
    - [ ] NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL
    - [X] OTHER, AS SPECIFIED: Sent to Governor's Office this date. Comments, if any, will be forwarded upon receipt.

12. **SIGNATURE OF STATE AGENCY OFFICIAL:**

13. **TYPED NAME:** Stephanie Muth

14. **TITLE:** State Medicaid Director

15. **DATE SUBMITTED:** December 21, 2018

FOR REGIONAL OFFICE USE ONLY

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

17. **DATE RECEIVED:** December 21, 2018
18. **DATE APPROVED:** January 23, 2019

PLAN APPROVED – ONE COPY ATTACHED

19. **EFFECTIVE DATE OF APPROVED MATERIAL:** October 1, 2018
20. **SIGNATURE OF REGIONAL OFFICIAL:**

21. **TYPED NAME:** Bill Brooks
22. **TITLE:** Associate Regional Administrator
    Division of Medicaid and Children’s Health

23. **REMARKS:**
<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 Page 1a.3</td>
<td>Attachment 4.19-B Page 1a.3 (TN 18-0011)</td>
</tr>
</tbody>
</table>
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 July 1, 2018, and this fee schedule was posted on the agency’s website on July 6, 2018.

(j) 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.

(k) The agency’s fee schedule was revised with new fees to include peer specialists effective January 1, 2019, and this fee schedule was posted on the agency’s website on January 7, 2019.

(l) The agency’s fee schedule was revised with new fees for physicians and other practitioners effective October 1, 2018, and this fee schedule was posted on the agency’s website on October 14, 2018.