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State Plan Amendment (SPA) #: 16-0009

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5. Approved SPA Page

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 - REGION VI

June 6, 2016

Our Reference: SPA TX 16-0009

Mr. Gary Jessee
State Medicaid/CHIP Director
Health and Human Services Commission
Post Office Box 13247
Mail Code H100
Austin, Texas 78711

RECEIVED

JUN 09 2016

OFFICE OF THE STATE
MEDICAID DIRECTOR

Dear Mr. Jessee:

We have reviewed the State's proposed amendment to the Texas State Plan submitted under Transmittal Number 16-0009, dated March 31, 2016. This state plan amendment updates the Medicaid fee schedules for family planning services.

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, 2016. A copy of the CMS-179 and approved plan page are enclosed with this letter.

If you have any questions please contact Suzette Seng of my staff. Ms. Seng may be reached at (214) 767-6478 or by Email at Suzette.Seng@cms.hhs.gov.

Sincerely,



Bill Brooks
Associate Regional Administrator

cc: Dana Williamson, Manager, Policy Development Support

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|---|--|---|---------------------------|
| TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES | | 1. TRANSMITTAL NUMBER: 16-0009 | 2. STATE: TEXAS |
| | | 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: January 1, 2016 | |
| 5. TYPE OF PLAN MATERIAL (Circle One): <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 (Separate Transmittal for each amendment) | | | |
| 6. FEDERAL STATUTE/REGULATION CITATION: 42 U.S.C. §1396a(a)(30) and 1396d(a)(4)(C); 42 CFR §447.201(b) and §440.210(a). | | 7. FEDERAL BUDGET IMPACT: SEE ATTACHMENT a. FFY 2016 \$1,224,902 b. FFY 2017 \$1,705,380 c. FFY 2018 \$1,780,088 | |
| 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 Medicaid family planning fee schedule. | | | |
| 11. GOVERNOR'S REVIEW (Check One): <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: Gary Jessee State Medicaid Director Post Office Box 13247, MC: H-100 Austin, Texas 78711 | |
| 13. TYPED NAME: Gary Jessee | | | |
| 14. TITLE: State Medicaid Director | | | |
| 15. DATE SUBMITTED: March 31, 2016 | | | |
| FOR REGIONAL OFFICE USE ONLY | | | |
| 17. DATE RECEIVED: March 31, 2016 | | 18. DATE APPROVED: June 06, 2016 | |
| PLAN APPROVED - ONE COPY ATTACHED | | | |
| 19. EFFECTIVE DATE OF APPROVED MATERIAL: January 01, 2016 | | 20. SIGNATURE OF REGIONAL OFFICIAL:  | |
| 21. TYPED NAME: Bill Brooks | | 22. TITLE: Associate Regional Administrator Division of Medicaid and Children's Health | |
| 23. REMARKS: <div style="text-align: center;">RECEIVED</div> | | | |

JUN 09 2016

Attachment to Block 7 of CMS Form 179

Transmittal Number 16-0009

| | Total Fiscal Impact | Federal | State |
|-----------------|----------------------------|----------------|--------------|
| FFY 2016 | \$1,361,002 | \$1,224,902 | \$136,100 |
| FFY 2017 | \$1,894,867 | \$1,705,380 | \$189,487 |
| FFY 2018 | \$1,977,876 | \$1,780,088 | \$197,788 |

The above fiscal impact for family planning services is based on the difference between the current rate and the newly implemented rate for which a rate was changed, multiplied by the trended units of service as described below.

FFY 2016: Federal fiscal year (FFY) 2014 units were trended to FFY 2015 by 1.0807 and then to 2016 by 1.0175, then pro-rated for the portion of the FFY during which the new rates will be in effect.

FFY 2017: The FFY 2016 trended unit amount was then trended to FFY 2017 by 1.0445.

FFY 2018: The FFY 2017 trended unit amount was then trended to FFY 2018 by 1.0445.

The applied federal medical assistance percentages are 90 percent for FFY 2016, 90 percent for FFY 2017, and 90 percent for FFY 2018.

Explanation for Rate Change and Amendment Submission

This state plan amendment implements changes to combinations of procedure code, type of service, modifier, and age group, and was the result of multiple actions:

- 232 procedure codes for the biennial calendar fee review for family planning were updated based on the current Medicare relative value unit (RVU), the current Medicare fee, or the Average Wholesale Price (AWP). The reimbursement decreased for 90 procedure codes, increased for 78 procedure codes, and remained the same for 64 procedure codes.

Access to care will not be affected and communications with providers will be maintained to address any concerns, should they arise.

There were no across-the-board percentage decreases or increases.

Attachment to Blocks 8 & 9 of CMS Form 179

Transmittal Number 16-0009

**Number of the
Plan Section or Attachment**

Attachment 4.19-B
Page 2f

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

Attachment 4.19-B
Page 2f (TN 14-049)

State: Texas
Date Received: 3-31-16
Date Approved: 6-6-16
Date Effective: 1-1-16
Transmittal Number: 16-0009

7. Reimbursement Methodology for Family Planning Services.

- (a) Payment for Family Planning services is made in accordance with the provisions contained in items 1 (Physicians and Certain Other Practitioners), 3 (Clinical Labs), 35 (Certified Family and Pediatric Nurse Practitioners), and 41 (Certified Registered Nurse Anesthetists and Advanced Nurse Practitioners) depending on the service provided and the provider type. For other agencies which are physician-directed and are approved to provide family planning services under this state plan, the upper payment limits will not be in excess of a fee schedule, as approved by the Single State Agency, for each of the professional services authorized as benefits.
- (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 family planning providers effective January 1, 2016. The fee schedule was posted on the agency website on January 15, 2016.

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| State: Texas |
| Date Received: 3-31-16 |
| Date Approved: 6-6-16 |
| Date Effective: 1-1-16 |
| Transmittal Number: 16-0009 |

TN: 16-0009 Approval Date: 06-06-16 Effective Date: 01-01-16

Supersedes TN: 14-049