

**TEXAS HEALTH AND HUMAN SERVICES
COMMISSION
RATE ANALYSIS DEPARTMENT**

**Proposed Medicaid Payment Rates for Primary Care
Services and Vaccine Administration Services
Provided by Physicians Specializing in Family
Practice, Internal Medicine or Pediatrics as a Result of
the Affordable Care Act**

Payment rates are proposed to be effective January 1, 2013.

SUMMARY OF PROPOSED MEDICAID PAYMENT RATES

Effective January 1, 2013

Included in this document is information relating to the proposed Medicaid payment rates for Medicaid Calendar Fee Reviews for Primary Care Services and Vaccine Administration Services Provided by Physicians Specializing in Family Practice, Internal Medicine or Pediatrics as a Result of the Affordable Care Act. The rates are proposed to be effective January 1, 2013.

Hearing

HHSC will conduct a public hearing to receive comments regarding the proposed Medicaid rates detailed in this document on November 15, 2012, at 1:30 p.m. in the Lone Star Conference Room in Building H of the Braker Center, at 11209 Metric Boulevard, Austin, TX 78758-4021, with entrance through Security at the front of the building facing Metric Boulevard. HHSC will consider concerns expressed at the hearing prior to final rate approval. This public hearing is held in compliance with the provisions of Human Resources Code §32.0282 and 1 TAC §355.105(g), which require a public hearing on proposed payment rates. Should you have any questions regarding the information in this document, please contact:

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Background

The Health and Human Services Commission (HHSC) is responsible for the reimbursement determination functions for the Texas Medicaid Program. Proposed rates are calculated utilizing established methodologies that conform to the Social Security Act and related federal regulations, the federally approved Texas Medicaid State Plan, all applicable state statutes and rules, and other requirements. HHSC reviews the Medicaid reimbursement rates for all acute care services every two years and clinical laboratory services are reviewed annually. These biennial reviews result in rates that are increased, decreased, or remain the same. The reviews are unrelated to any rate reduction imposed by the legislature but rather conducted to ensure that rates continue to be based on established rate methodologies.

Methodology

The specific administrative rules that govern the establishment of the fees in this proposal include these rules in Title 1 of the Texas Administrative Code (1 TAC):

- §355.8081, which addresses payments for laboratory and x-ray services, radiation therapy, physical therapists' services, physician services, podiatry services, chiropractic services, optometric services, ambulance services, dentists' services, psychologists' services, licensed psychological associates' services, maternity clinic services, and tuberculosis clinic services;
- §355.8085, which addresses the reimbursement methodology for physicians and other medical professionals, including medical services, surgery, assistant surgery, and physician administered drugs/biologicals; medical services, surgery, assistant surgery, radiology, laboratory, and radiation therapy;
- §355.8441, which addresses the reimbursement methodology for Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) services.

The reimbursement rates proposed reflect applicable reductions directed by the 2012-2013 General Appropriations Act, H.B. 1, 82nd Legislature, Regular Session. Detailed information related to specifics of the reductions can be found on the Medicaid fee schedules.

Proposed Rates

Section 1202 of the Health Care and Education Reconciliation Act of 2010 (Pub.L. 111-152, 124 Stat. 1029) amended the Affordable Care Act (ACA) (Pub.L. 111-148). Section 1202 of the Health Care and Education Reconciliation Act of 2010 requires a state, beginning on January 1, 2013, to set its Medicaid rates for certain evaluation and management services and vaccine administration services provided by physicians specializing in internal medicine, family practice, or pediatrics equal to the 2013-2014 Medicare rates from January 1, 2013 thru December 31, 2014. The proposed payment rates for physician services are based on either the lowest regional Medicare rate in Texas or the national rate listed in the current Medicare fee schedule released for October 2012. Proposed payment rates for vaccine administration are based on the rate for Texas published in the proposed federal rule.

Proposed payment rates are listed in the attachments outlined below:

Attachment 1 – Physicians

Attachment 2 – Vaccine Administration