

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

**Proposed Medicaid Payments for the following
services:**

**Ambulance Services;
Case Management for Pregnant Women;
Early and Periodic Screening, Diagnosis and Treatment
Services, including Medical Checkups, Private Duty
Nursing, Therapies, and Therapies provided in a
Comprehensive Outpatient Rehabilitation Facility /
Outpatient Rehabilitation Facility, but not including
Personal Care Services;
Family Planning Services;
Home Health Services, including Professional Services
and Durable Medical Equipment and Expendable
Supplies;
Mental Health Rehabilitation Services;
Mental Health Targeted Case Management;
Physicians and Certain Other Practitioners, including
Dental Services, Anesthesia Services, Licensed Clinical
Social Workers, Licensed Professional Counselors,
Licensed Marriage and Family Therapists, and other
practitioners;
Tuberculosis Clinics;
and the Vendor Drug Dispensing Fee, to include both the
fixed and variable component of the fee.**

**Payment reimbursements and the payment rate adjustment for the
vendor drug dispensing fee are proposed to be effective
February 1, 2011.**

SUMMARY OF PROPOSED MEDICAID REIMBURSEMENTS

Effective February 1, 2011

Included in this document is information relating to the proposed Medicaid reimbursement reduction for Ambulance Services; Case Management for Pregnant Women; Early and Periodic Screening, Diagnosis and Treatment Services, including Medical Checkups, Private Duty Nursing Therapies, and Therapies in a Comprehensive Outpatient Rehabilitation Facility / Outpatient Rehabilitation Facility, but not including Personal Care Services; Family Planning Services; Home Health Services, including Professional Services and Durable Medical Equipment and Expendable Supplies; Mental Health Rehabilitation Services; Mental Health Targeted Case Management; Physicians and Certain Other Practitioners, including Dental Services, Anesthesia Services, Licensed Clinical Social Workers, Licensed Professional Counselors, Licensed Marriage and Family Therapists, and other practitioners; Tuberculosis Clinics; and the Vendor Drug Dispensing Fee, to include both the fixed and variable component of the fee.

The Health and Human Services Commission (HHSC) is responsible for the reimbursement determination for the Texas Medicaid Program.

Hearing

HHSC will conduct a public hearing to receive comments regarding the proposed Medicaid payments on January 7, 2011, at 1:00 p.m. in the Public Hearing Room, Brown-Heatly Building, 4900 N. Lamar, Austin, Texas. The hearing will be held in compliance with Human Resources Code §32.0282, Texas Administrative Code, Title 1 (1 TAC), §355.105, and §355.201, which require public notice of and hearings on proposed Medicaid reimbursements.

Background

A one percent reimbursement reduction was previously implemented for services provided on and after Sept. 1, 2010, in compliance with a plan approved in response to the Jan. 15, 2010, letter from the Governor, Lieutenant Governor, and Speaker regarding the revision to the Spending Reduction Plan for the 2010-2011 Biennium submitted by HHSC. On Dec. 6, 2010, the Governor, Lieutenant Governor, and House Speaker sent a letter to all State Agencies asking them to identify savings of 2.5 percent of their original general revenue and general-dedicated-appropriations for fiscal year 2011. In response to this letter and in accordance with 1 TAC §355.201, reimbursements are proposed to be reduced. For the Vendor Drug Dispensing Fee, which was reduced by one percent effective Sept. 1, 2010, the fee effective Feb. 1, 2011, will be an amount equal to the fee in effect on Aug. 31, 2010, less two percent. For all the other listed services, for which the Sept. 1, 2010, one percent reduction was implemented by reducing reimbursements in effect on Aug. 31, 2010, by one percent, the proposed reimbursement for services provided on and after Feb. 1, 2011, will be equal to the reimbursement indicated on the agency's current fee schedule in effect on Aug. 31, 2010, less two percent.

Methodology

The proposed reimbursements are calculated in accordance with the previously cited sections of 1 TAC and the following sections, as applicable:

§355.743, which addresses the reimbursement methodology for Mental Health Case Management;

§355.781, which addresses the reimbursement methodology for Mental Health Rehabilitative Services;

§355.8001, which addresses the reimbursement methodology for vision care services;

§355.8021, which addresses the reimbursement methodology for home health professional services and durable medical equipment, prostheses, orthotics and supplies;

§355.8081, which addresses the reimbursement methodology 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, and Licensed Psychological Associates' Services;

§355.8085, which addresses the reimbursement methodology for physicians and certain other practitioners;

§355.8087, which addresses the reimbursement methodology for in-home total parenteral hyperalimentation services;

§355.8091, which addresses the reimbursement methodology for licensed professional counselors, licensed master social worker-advanced clinical practitioners, and licensed marriage and family therapists;

§355.8093, which addresses the reimbursement methodology for physician assistants;

§355.8141, which addresses the reimbursement methodology for hearing aid services;

§355.8161, which addresses the reimbursement methodology for certified nurse midwives;

§355.8221, which addresses the reimbursement methodology for certified registered nurse anesthetists;

§355.8241, which addresses the reimbursement methodology for chemical dependency and treatment facilities;

§355.8281, which addresses the reimbursement methodology for nurse practitioner or clinical nurse specialist;

§355.8401 which addresses the reimbursement methodology for case management for children and pregnant women;

§355.8441, which addresses the reimbursement methodology for durable medical equipment, prostheses, orthotics, and supplies in the early and periodic screening, diagnosis, and treatment;

§355.8441(4) which addresses the reimbursement methodology for Private Duty Nursing in EPSDT;

§355.8461, which addresses the reimbursement methodology for eyeglass program;

§355.8551, which addresses the reimbursement methodology for pharmacy services dispensing fee;

§355.8581 through §355.8584, which addresses the reimbursement methodology for case management for family planning purchased services; and

§355.8600, which addresses the reimbursement methodology for ambulance services.

Should you have any questions regarding the information in this document, please contact:

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