

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

**Proposed Medicaid Payments for:
Mental Health (MH) Targeted Case Management
Mental Health Rehabilitative Services**

**Payment reimbursements are proposed to be effective
September 1, 2010.**

SUMMARY OF PROPOSED MEDICAID REIMBURSEMENTS

Effective September 1, 2010

Included in this document is information relating to the proposed Medicaid reimbursements for Mental Health (MH) Targeted Case Management and Mental Health Rehabilitative Services. The Health and Human Services Commission (HHSC) is responsible for the reimbursement determination functions for the Texas Medicaid Program.

Hearing

HHSC will conduct a public hearing to receive comments regarding the proposed Medicaid payments on June 29, 2010, at 1:00 - 3:00 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. 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 Legislative Budget Board and the Governor's Office informed HHSC in a letter dated May 17, 2010, of their revision to the Spending Reduction Plan for the 2010-11 Biennium submitted by HHSC. The spending reduction plan was submitted in response to a letter dated January 15, 2010 from the Governor, Lieutenant Governor, and Speaker requesting a spending reduction proposal. As a result of this revision to the spending reduction plan the proposed reimbursement for all procedure codes submitted on and after September 1, 2010, will be equal to the reimbursement indicated on the agency's current fee schedule in effect at the time, less one percent.

Methodology

The proposed reimbursements were determined in accordance with the reimbursement methodology at Title 1 of the Texas Administrative Code (1 TAC) §355.743, Texas Medicaid Reimbursement Methodology for Mental Health Case Management and (1 TAC) §355.781 Texas Medicaid Reimbursement Methodology for Rehabilitative Services Reimbursement Methodology. The reimbursement for interim services provided on and after September 1, 2010, will be equal to the reimbursement indicated on the agency's current fee schedule in effect at the time, less one percent. The settlement of the annual cost report will be reduced by one percent if the total costs exceed 100 percent of the interim rate. These rates were subsequently adjusted in accordance with 1 TAC §355.201, Establishment and Adjustment of Reimbursement Rates by the Health and Human Services Commission.