

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

**Proposed Medicaid Payment Rates for the
Community Based Alternatives Waiver Program**

**Payment rates are proposed to be effective
September 1, 2011**

**Revised
August 4, 2011**

SUMMARY OF PROPOSED MEDICAID PAYMENT RATES
Effective September 1, 2011

Included in this document is information relating to proposed Medicaid payment rates for the Community Based Alternatives (CBA) waiver program. The Health and Human Services Commission (HHSC) is responsible for reimbursement determination for the Texas Medicaid Program. The CBA rates proposed at the public hearing conducted on June 29, 2011 are being withdrawn and replaced with the rates proposed in this document.

Hearing

HHSC will conduct a public hearing to receive comments regarding the proposed Medicaid rates detailed in this document on August 18, 2011, at 1:00 p.m. in the Lone Star Conference Room of the Health and Human Services Commission, Braker Center, Building H, located at 11209 Metric Blvd, Austin, Texas. This public hearing is held in compliance with the provisions of Human Resources Code §32.0282(a), which requires a public hearing on proposed payment rates. Should you have any questions regarding the information in this document, please contact:

Pam McDonald, Director
Texas Health and Human Services Commission
Rate Analysis for Long Term Services & Supports
Mail Code H-400
(512) 491-1373; FAX: (512) 491-1998
E-mail: pam.mcdonald@hhsc.state.tx.us

Background

The 2012-2013 General Appropriations Act (Article II, H.B. 1, 82nd Legislature, Regular Session, 2011) details funding for the CBA waiver program for the 2012-2013 biennium. The rates detailed in this informational packet are proposed to ensure that the CBA program remains within appropriated funds for the 2012-2013 biennium.

The CBA program is specifically addressed in two provisions of H.B. 1. The first provision is Department of Aging and Disability Services Rider 46 in Article II of H.B. 1 which states:

Attendant Care Services for Persons Enrolled in Community-based Alternatives. Funds appropriated above to the Department of Aging and Disability Services assume a savings of \$22,320,772 in All Funds, including \$9,282,093 in General Revenue Funds in fiscal year 2012 and \$13,412,084 in All Funds, including \$5,717,907 in General Revenue Funds in fiscal year 2013. The department may achieve these savings by reducing rates for the indirect portion of attendant care services in the Community-based Alternative waiver to the level of the indirect component of the rate in the Primary Home Care and Community Attendant Services program.”

The second provision is Special Provisions Relating to All Health and Human Services Agencies, Section 17(a)(2), Wrap Around Services. Under this provision, appropriations for the CBA program are reduced by \$15,000,000 million in General Revenue Funds and \$35,732,856 in All Funds for the 2012-2013 biennium for anticipated savings from Rider 46.

To comply with these two provisions, HHSC is proposing reductions to the Community Based Alternatives (CBA) Personal Assistance Services (PAS) and the CBA Consumer Directed Services (CDS) Financial Management Services (FMS) monthly fee. This document presents the proposed payment rates for these two services, to be effective September 1, 2011.

Methodology

The proposed rates were determined in accordance with the rate setting methodologies codified at Title 1 of the Texas Administrative Code (TAC), Chapter 355, Subchapter A, §355.114, Consumer Directed Services Payment Option, and Subchapter E, §355.503, Reimbursement Methodology for the Community-Based Alternatives Waiver Program and the Integrated Care Management-Home and Community Support Services and Assisted Living/Residential Care Programs. These rates were subsequently adjusted in accordance with 1 TAC Chapter 355, Subchapter A, §355.101, Introduction, and §355.109, Adjusting Reimbursement When New Legislation, Regulations or Economic Factors Affect Costs, and Subchapter B, §355.201, Establishment and Adjustment of Reimbursement Rates by the Health and Human Services Commission. These rate adjustments are being made as a result of the 2012-2013 General Appropriations Act (Article II, H.B. 1, 82nd Legislature, Regular Session, 2011).

Proposed Rates

The payment rates for CBA PAS and the CDS FMS monthly fee are proposed to be reduced by 3.95 percent. The indirect cost component (also known as the administration and operation cost component) for CBA PAS is reduced by \$0.46 per hour from the current amount of \$2.76 to the proposed rate of \$2.30 per hour. The rates for the attendant compensation cost component will remain at their current levels. See Page 4 for the CBA PAS rates. The CDS FMS monthly fee is proposed to be reduced by \$7.98 per month from the current rate of \$202.00 to the proposed rate of \$194.02 per month.

The payment rate for the CDS service rate used in determining the consumer's budget is not proposed to change from the current rate and will remain at \$10.86 per hour.

COMMUNITY BASED ALTERNATIVES (CBA)
PERSONAL ASSISTANCE SERVICES
PAYMENT RATES EFFECTIVE September 1, 2011

Personal Assistance Services (PAS)	Payment Rate		
	Attendant Cost Area	Administration and Facility Cost Area	Total
Nonparticipant	\$8.90	\$2.30	\$11.20
Participant - Level 1	\$8.95	\$2.30	\$11.25
Participant - Level 2	\$9.00	\$2.30	\$11.30
Participant - Level 3	\$9.05	\$2.30	\$11.35
Participant - Level 4	\$9.10	\$2.30	\$11.40
Participant - Level 5	\$9.15	\$2.30	\$11.45
Participant - Level 6	\$9.20	\$2.30	\$11.50
Participant - Level 7	\$9.25	\$2.30	\$11.55
Participant - Level 8	\$9.30	\$2.30	\$11.60
Participant - Level 9	\$9.35	\$2.30	\$11.65
Participant - Level 10	\$9.40	\$2.30	\$11.70
Participant - Level 11	\$9.45	\$2.30	\$11.75
Participant - Level 12	\$9.50	\$2.30	\$11.80
Participant - Level 13	\$9.55	\$2.30	\$11.85
Participant - Level 14	\$9.60	\$2.30	\$11.90
Participant - Level 15	\$9.65	\$2.30	\$11.95
Participant - Level 16	\$9.70	\$2.30	\$12.00
Participant - Level 17	\$9.75	\$2.30	\$12.05
Participant - Level 18	\$9.80	\$2.30	\$12.10
Participant - Level 19	\$9.85	\$2.30	\$12.15
Participant - Level 20	\$9.90	\$2.30	\$12.20
Participant - Level 21	\$9.95	\$2.30	\$12.25
Participant - Level 22	\$10.00	\$2.30	\$12.30
Participant - Level 23	\$10.05	\$2.30	\$12.35
Participant - Level 24	\$10.10	\$2.30	\$12.40
Participant - Level 25	\$10.15	\$2.30	\$12.45