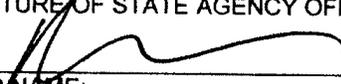
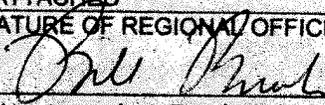


TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER: 10-034	2. STATE: TEXAS
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE: September 1, 2010	
5. TYPE OF PLAN MATERIAL (Circle One): <input type="checkbox"/> COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment) <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR §440.40; §1905(r) of Social Security Act, relating to Early and Periodic Screening, Diagnosis and Treatment.		7. FEDERAL BUDGET IMPACT: SEE ATTACHMENT a. FFY 2010 \$(1,364,926) b. FFY 2011 \$(14,581,669) c. FFY 2012 \$(14,343,695)	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: SEE ATTACHMENT TO BLOCKS 8 AND 9		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): SEE ATTACHMENT TO BLOCKS 8 AND 9	
10. SUBJECT OF AMENDMENT: The proposed amendment is an update to the Medicaid Early and Periodic Screening, Diagnosis and Treatment (EPSDT) fee schedule and implements the one percent payment reduction for reimbursements paid to Medicaid EPSDT providers.			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: Sent to Governor's Office this date. Comments, if any, will be forwarded upon receipt.			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Billy R. Millwee State Medicaid Director Post Office Box 13247, MC: H-100 Austin, Texas 78711	
13. TYPED NAME: Billy R. Millwee			
14. TITLE: State Medicaid Director			
15. DATE SUBMITTED June 9, 2010			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 9 June, 2010		18. DATE APPROVED: 7 September, 2010	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1 September, 2010		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: BILL BROOKS		22. TITLE: Associate Regional Administrator Div of Medicaid & Children's Health	
23. REMARKS:			

32. Reimbursement Methodologies for Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Services

- 1) Except as otherwise specified, payment for authorized medically necessary services required to diagnose and treat a condition under Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) services will be based on existing Medicaid reimbursement methodologies.
 - a) In Texas, EPSDT services are known as Texas Health Steps (THSteps). Medicaid services provided only to clients under age 21 are part of the THSteps-Comprehensive Care Program (CCP) and the reimbursement methodologies are included in this item. The reimbursement methodologies for services provided to all Medicaid-eligible clients, including clients under age 21, are located elsewhere in the Texas Medicaid State Plan and are referenced in this item.
 - 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 EPSDT THSteps providers effective September 1, 2010. The fee schedule was posted on the agency website on September 3, 2010.
 - d) The reimbursement for services, excluding SHARS, effective September 1, 2010, will be equal to the reimbursement on August 31, 2010, less one percent.

SUPERSEDES: TN- 09-17

STATE <u>TEXAS</u>	A
DATE REC'D <u>6-9-10</u>	
DATE APPV'D <u>9-7-10</u>	
DATE EFF <u>9-1-10</u>	
HCFA 179 <u>10-34</u>	

TN No. 10-34

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32. Reimbursement Methodologies for Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Services - continued

- 3) Durable medical equipment, prosthetics, orthotics, and supplies reimbursable only for Medicaid-eligible clients under age 21.
 - a) Ventilator service agreements reimbursable only for Medicaid-eligible clients under age 21 are reimbursed at the lesser of the provider's billed charges or fees established by the Texas Health and Human Services Commission (HHSC) in the same manner as the fees determined by HHSC for DME under home health services in Item 8(c) of Attachment 4.19-B, relating to the reimbursement methodology for DME provided by home health agencies and DME providers/suppliers.
 - 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 providers of EPSDT durable medical equipment prosthetics, orthotics, and supplies effective September 1, 2010. The fee schedule was posted on the agency website on September 3, 2010.
 - d) The reimbursement for services, excluding SHARS, effective September 1, 2010, will be equal to the reimbursement on August 31, 2010, less one percent.

SUPERSEDES: TN- 06-08

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DATE EFF.	<u>9-1-10</u>	
HCFA 179	<u>10-34</u>	

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32. Reimbursement Methodologies for Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Services – continued

- 5) Private duty nursing services, including, but not limited to, registered nurse (RN) services, and licensed vocational nurse/licensed practical nurse (LVN/LPN) services, require prior authorization and are reimbursed based on the lesser of the provider's billed charges or fees established by the Texas Health and Human Services Commission (HHSC).
- a) Eligible providers include: independently enrolled RNs, independently enrolled LVNs/LPNs, RNs employed by or contracted with home health agencies, and LVNs/LPNs employed by or contracted with home health agencies.
 - b) The fees are access-based fees and are reviewed every two years. The fees are based on historical charges, a review of Medicaid fees paid by other states, a survey of costs for a representative sample of providers, an analysis of cost reports provided by home health agencies of similar nursing services, modeling using an analysis of other data available to HHSC, or a combination thereof. Payments based on a fee schedule are made for these services.
 - c) All fee schedules are available through the agency's website as outlined on Attachment 4.19-B, page 1.
 - d) The agency's fee schedule was revised with new fees for EPSDT private duty nursing services effective September 1, 2010. The fee schedule was posted on the agency website on September 3, 2010.
 - e) The reimbursement for services, excluding SHARS, effective September 1, 2010, will be equal to the reimbursement on August 31, 2010, less one percent.

SUPERSEDES: TN- 06-08

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HOTA 179	<u>10-34</u>	

32. Reimbursement Methodologies for Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Services - continued

6) Physical therapy (PT)

- a) Services reimbursable only for Medicaid-eligible clients under age 21 include those delivered by the following provider types:
 - 1) Medicare-certified outpatient facilities known as comprehensive outpatient rehabilitation facilities (CORFs) and outpatient rehabilitation facilities (ORFs) in accordance with Item 1 of Attachment 4.19-B, relating to the reimbursement methodology for physicians and certain other practitioners. Payments based on a fee schedule are made for these services.
 - 2) School districts in accordance with Item 32(17) of Attachment 4.19-B, relating to the reimbursement methodology for School Health and Related Services (SHARS).
 - 3) Home health agencies' reimbursed statewide visits are determined by the Texas Health and Human Services Commission (HHSC) based on an analysis of relevant fee surveys. Payments based on a fee schedule are made for these services.
- 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 EPSDT physical therapy providers effective September 1, 2010. The fee schedule was posted on the agency website on September 3, 2010.
- d) The reimbursement for services, excluding SHARS, effective September 1, 2010, will be equal to the reimbursement on August 31, 2010, less one percent.

SUPERSEDES: TN- 07-09(A)

TN No. 10-34 Approval Date 9-7-10 Effective Date 9-1-10
 Supersedes TN No. 07-09(A)

32. Reimbursement Methodologies for Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Services - continued

7) Occupational therapy (OT)

- a) Services reimbursable only for Medicaid-eligible clients under age 21 include those delivered by the following provider types:
 - 1) Medicare-certified outpatient facilities known as comprehensive outpatient rehabilitation facilities (CORFs) and outpatient rehabilitation facilities (ORFs) in accordance with Item 1 of Attachment 4.19-B, relating to the reimbursement methodology for physicians and certain other practitioners. Payments based on a fee schedule are made for these services.
 - 2) School districts in accordance with Item 32(17) of Attachment 4.19-B, relating to the reimbursement methodology for School Health and Related Services (SHARS).
 - 3) Home health agencies' reimbursed statewide visits are determined by the Texas Health and Human Services Commission (HHSC) based on an analysis of relevant fee surveys. Payments based on a fee schedule are made for these services.
- 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 EPSDT occupational therapy providers effective September 1, 2010. The fee schedule was posted on the agency website on September 3, 2010.
- d) The reimbursement for services, excluding SHARS, effective September 1, 2010, will be equal to the reimbursement on August 31, 2010, less one percent.

SUPERSEDES: TN- 07-09(A)

TN No. 10-34 Approval Date 9-7-10 Effective Date 9-1-10
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STATE	<u>Texas</u>
DATE REC'D.	<u>6-9-10</u>
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32. Reimbursement Methodologies for Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Services - continued

8) Speech and language

- a) Services reimbursable only for Medicaid-eligible clients under age 21 include those delivered by the following provider types:
 - 1) Medicare-certified outpatient facilities known as comprehensive outpatient rehabilitation facilities (CORFs) and outpatient rehabilitation facilities (ORFs) in accordance with Item 1 of Attachment 4.19-B, relating to the reimbursement methodology for physicians and certain other practitioners. Payments based on a fee schedule are made for these services.
 - 2) School districts in accordance with Item 32(17) of Attachment 4.19-B, relating to the reimbursement methodology for School Health and Related Services (SHARS).
 - 3) Home health agencies' reimbursed statewide visits are determined by the Texas Health and Human Services Commission (HHSC) based on an analysis of relevant fee surveys. Payments based on a fee schedule are made for these services.
- 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 EPSDT speech and language providers effective September 1, 2010. The fee schedule was posted on the agency website on September 3, 2010.
- d) The reimbursement for services, excluding SHARS, effective September 1, 2010, will be equal to the reimbursement on August 31, 2010, less one percent.

SUPERSEDES: TN- 07-09(A)

TN No. 10-34

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STATE	<u>Texas</u>	A
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32. Reimbursement Methodologies for Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Services - continued

- 9) Nutritional services provided by licensed dietitians to Medicaid-eligible clients under age 21 are reimbursed the lesser of the provider's billed charges or fees determined by the Texas Health and Human Services Commission (HHSC) in accordance with Item 1 of Attachment 4.19-B, relating to the reimbursement methodology for physicians and certain other practitioners.
- a) All fee schedules are available through the agency's website as outlined on Attachment 4.19-B, page 1.
 - b) The agency's fee schedule was revised with new fees for EPSDT nutritional service providers effective September 1, 2010. The fee schedule was posted on the agency website on September 3, 2010.
 - c) The reimbursement for services, excluding SHARS, effective September 1, 2010, will be equal to the reimbursement on August 31, 2010, less one percent.

SUPERSEDES: TN- 06-08

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32. Reimbursement Methodologies for Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Services - continued

10) Physician services

- a) Services reimbursable only for Medicaid-eligible clients under age 21 include:
 - 1) Vaccines not covered by the Texas Vaccines for Children Program (TVCP) for clients under age 21 which are reimbursed as accessed-based fees in accordance with Item 1 of Attachment 4.19-B, relating to the reimbursement methodology for physicians and certain other practitioners. Payments based on a fee schedule are made for these services.
 - 2) Services delivered by school districts, in accordance with Item 32(17) of Attachment 4.19-B, relating to the reimbursement methodology for School Health and Related Services (SHARS).
- 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 EPSDT physician services effective September 1, 2010. The fee schedule was posted on the agency website on September 3, 2010.
- d) The reimbursement for services, excluding SHARS, effective September 1, 2010, will be equal to the reimbursement on August 31, 2010, less one percent.

SUPERSEDES: TN- 06-08

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32. Reimbursement Methodologies for Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Services – continued

11) Audiology and hearing services

- a) Services reimbursable only for Medicaid-eligible clients under age 21 include those delivered by the following provider types:
 - 1) Licensed audiologists in accordance with Item 1 of Attachment 4.19-B, relating to the reimbursement methodology for physicians and certain other practitioners. Payments based on a fee schedule are made for these services.
 - 2) School districts, in accordance with Item 32(17) of Attachment 4.19-B, relating to the reimbursement methodology for School Health and Related Services (SHARS).
- 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 EPSDT audiology and hearing services effective September 1, 2010. The fee schedule was posted on the agency website on September 3, 2010.
- d) The reimbursement for services, excluding SHARS, effective September 1, 2010, will be equal to the reimbursement on August 31, 2010, less one percent.

SUPERSEDES: TN 06-08

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32. Reimbursement Methodologies for Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Services - continued

- 13) Dental services reimbursable only for Medicaid-eligible clients under age 21 include those provided by independently enrolled dentists, who are reimbursed according to the lesser of the provider's billed charges or fees determined by the Texas Health and Human Services Commission (HHSC). These are access-based fees under Item 1 of Attachment 4.19-B, relating to the reimbursement methodology for physicians and certain other practitioners.
- a) All fee schedules are available through the agency's website as outlined on Attachment 4.19-B, page 1.
 - b) The agency's fee schedule was revised with new fees for EPSDT dental services effective September 1, 2010. The fee schedule was posted on the agency website on September 3, 2010.
 - c) The reimbursement for services, excluding SHARS, effective September 1, 2010, will be equal to the reimbursement on August 31, 2010, less one percent.

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32. Reimbursement Methodologies for Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Services - continued

14) Personal care services (PCS)

- a) Services reimbursable only for Medicaid-eligible clients under age 21 include those delivered by the following provider types:
 - 1) School districts in accordance with Item 32(17) of Attachment 4.19-B, relating to the reimbursement methodology for School Health and Related Services (SHARS).
 - 2) Home health agencies and other PCS providers delivering PCS in the client's home, excluding services delivered through the Consumer Directed Services service delivery model, are reimbursed the lesser of the provider's billed charges or fees established by the Texas Health and Human Services Commission (HHSC) based on an analysis of relevant cost or fee surveys. Payments based on a fee schedule are made for these services.
- 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 EPSDT Personal Care Services effective September 1, 2010. The fee schedule was posted on the agency website on September 3, 2010.
- d) The reimbursement for services, excluding SHARS, effective September 1, 2010, will be equal to the reimbursement on August 31, 2010, less one percent.

SUPERSEDES: TN 07-09(A)

STATE	<u>Texas</u>	A
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Supersedes TN No. 07-09(A)

32. Reimbursement Methodologies for Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Services - continued

18) EPSDT Case Management

- a) Providers of EPSDT Case Management Services are reimbursed the lesser of the provider's billed charges or fees determined by the Texas Health and Human Services Commission (HHSC). The fees are determined using an analysis of relevant cost or fee surveys available to HHSC.
- b) All fee schedules are available through the agency's website as outlined on Attachment 4.19-B, page 1.
- d) The agency's fee schedule was revised with new fees for EPSDT case management services effective September 1, 2010. The fee schedule was posted on the agency website on September 3, 2010.
- e) The reimbursement for services, excluding SHARS, effective September 1, 2010, will be equal to the reimbursement on August 31, 2010, less one percent.

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SUPERSEDES: TN- 07-16

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