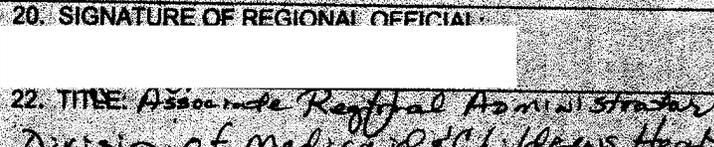


TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER: 10-054	2. STATE: TEXAS
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE: October 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: Social Security Act § 1915(g) (42 USC §1396n(g))		7. FEDERAL BUDGET IMPACT: SEE ATTACHMENT a. FFY 2010 \$0 b. FFY 2011 \$0 c. FFY 2012 \$0	
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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): SEE ATTACHMENT TO BLOCKS 8 AND 9	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 updates the reimbursement methodology for specialized rehabilitation services. The amendment ends the use of the Time and Financial Information (TAFI) data collecting tool. In its place, the Random Moment Time Study will be implemented and a new cost report will be developed to collect cost information.			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Sent to Governor's Office this date. Comments, if any, will be forwarded upon receipt. <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
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 October 5, 2010			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 6 October 2010		18. DATE APPROVED: 20 December 2010	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1 October 2010		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Bill Brooks		22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health	
23. REMARKS:			

47. Specialized Rehabilitation Services

- (a) The Commission determines a prospective uniform reimbursement rate for the Texas Early Childhood Intervention Program (ECI) Medicaid programs. Early Childhood Intervention program providers are reimbursed according to the reimbursement methodology. The Commission determines the rate based on costs contained in the ECI providers' Time and Financial Information (TAFI) reports, which are reported on a quarterly basis. The recommended rate is determined in the following manner:

A	
STATE <u>Texas</u>	
DATE REC'D <u>10-6-10</u>	
DATE APP'D <u>12-20-10</u>	
DATE EFF. <u>10-1-10</u>	
HCFA 179 <u>TN 10-054</u>	

- (1) Salaries and benefits for staff delivering services are added to allocated costs for ECI overhead and host agency administration costs. Allocations are made using time study information from the TAFI reports.
 - (2) These total costs for services are divided by the total direct service hours to calculate a cost per hour.
 - (3) The resulting total cost per hour for services is projected from the historical reporting period to the perspective rate period using the Personal Consumption Expenditures (PCE) Chain -Type Index.
 - (4) The projected total cost per hour for services is the proposed reimbursement rate. The reimbursement rate will be paid on an hourly basis, and will be pro-rated for 15-minute intervals.
 - (5) The provider's reported costs will be examined annually to determine if it is necessary to re-base the rate.
- (b) The Commission establishes the reimbursement rate following a public meeting after consideration of financial and statistical information and public testimony.
- (c) All fee schedules are available through the agency's website as outlined on Attachment 4.19-B, Page 1.
- (d) The rate of \$119.69 per hour, which has been in effect since October 1, 2006, is adjusted by applying inflation from federal fiscal year 2007 to federal fiscal year 2010 of 5.71 percent to calculate a new rate of \$126.52 to be effective March 15, 2010.
- (e) Beginning October 1, 2010, the TAFI system to collect time and financial information will no longer be used. Effective October 1, 2010, the Random Moment Time Study (RMTS) will be implemented and a new cost report will be developed to collect cost.
- (f) The agency's fee schedule was revised with a new rate for specialized rehabilitation services effective for services on or after March 15, 2010. The new rate was posted within 30 days of approval by CMS.

TN No. 10-054

Approval Date 12-20-10

Effective Date 10-1-10

Supersedes TN No. 10-14

SUPERSEDES: TN 10-14