

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES		1. TRANSMITTAL NUMBER: 10-087	2. STATE: TEXAS
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE: February 1, 2011	
5. TYPE OF PLAN MATERIAL (Circle One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: §§ 1905(a)(2) and 1905(a)(9), SSA 42 CFR §§ 440.20 and 440.90		7. FEDERAL BUDGET IMPACT: SEE ATTACHMENT a. FFY 2011 \$ (358,567) b. FFY 2012 \$ (498,823) c. FFY 2013 \$ (515,584)	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: SEE ATTACHMENT TO BLOCKS 8 & 9		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): SEE ATTACHMENT TO BLOCKS 8 & 9	
10. SUBJECT OF AMENDMENT: The amendment implements a one percent payment reduction for Medicaid services provided by ambulatory surgical centers and hospital-based ambulatory surgical centers.			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: Sent to Governor's Office this date. Comments, if any, will be forwarded upon receipt. <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL:		16. RETURN TO:	
13. TYPED NAME: Billy R. Millwee		Billy R. Millwee State Medicaid Director Post Office Box 85200 Austin, Texas 78711-5200	
14. TITLE: State Medicaid Director			
15. DATE SUBMITTED: December 29, 2010			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 29 December, 2010		18. DATE APPROVED: 11 March, 2011	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1 February, 2011		20. SIGNATURE OF REGIONAL OFFICIAL:	
21. TYPED NAME: Bill Brooks		22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health	
23. REMARKS:			

STATE <u>Texas</u>	A
DATE RECD. <u>12-29-10</u>	
DATE APPVD. <u>3-11-11</u>	
DATE EFF. <u>2-1-11</u>	
HCFA 179 <u>10-87</u>	

16. Ambulatory Surgical Centers (ASCs) (continued)

(f) Example 2:

1. Billed charges = \$75.00
2. Medicaid published fee = \$80.00
3. Lesser of billed charges or Medicaid published fee = \$75.00, which becomes the allowed amount.
4. Since the billed charges are not greater than the Medicaid fee plus the 5.2 percent high-volume provider payment add-on (i.e., \$80.00 + \$4.16 = \$84.16), no high-volume provider payment add-on is applied, resulting in the actual payment to the provider of \$75.00.

(g) Example 3:

1. Billed charges = \$82.00
2. Medicaid published fee = \$80.00
3. Lesser of billed charges or Medicaid published fee = \$80.00, which becomes the allowed amount.
4. Since the billed charges are not greater than the Medicaid fee plus the 5.2 percent high-volume provider payment add-on (i.e., \$80.00 + \$4.16 = \$84.16), only part of the high-volume provider payment add-on is applied, i.e., up to the billed charges, resulting in the actual payment to the provider of \$82.00.

(h) Medicaid payments for ASC services do not exceed Medicare payments for these same ASC services.

(i) The reimbursement for services effective September 1, 2010 through January 31, 2011 will be equal to the payment that would have been made on August 31, 2010, less one percent.

(j) The reimbursement for services effective February 1, 2011 will be equal to the payment that would have been made on August 31, 2010, less two percent.

(k) The agency's fee schedule was revised with new fees effective February 1, 2011 and is effective for services provided on or after that date. The fee schedule will be posted on the agency's website on April 8, 2011.

(l) All fee schedules are available through the agency's website as outlined on Attachment 4.19-B, page 1.

SUPERSEDES: TN- 10-44

TN 10-87

Approval Date 3-11-11

Effective Date 2-1-11

Supersedes TN 10-44