

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE AND MEDICAID</b>		1. TRANSMITTAL NUMBER:  <b>11-002</b>	2. STATE:  <b>TEXAS</b>
		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:  <b>February 3, 2011</b>	
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: <b>42 U.S.C. §1396(a)(13)(B)</b>		7. FEDERAL BUDGET IMPACT: SEE ATTACHMENT  a. FFY 2011 <b>\$0</b> b. FFY 2012 <b>\$0</b> c. FFY 2013 <b>\$0</b>	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  <b>SEE ATTACHMENT TO BLOCKS 8 &amp; 9</b>		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  <b>SEE ATTACHMENT TO BLOCKS 8 &amp; 9</b>	
10. SUBJECT OF AMENDMENT:  <b>The proposed amendment will revise the reimbursement methodology for hospice care to indicate that the Department of Aging and Disability Services pays a Medicaid hospice room and board per diem amount that is 96.96 percent of the appropriate rate for each Medicaid hospice recipient residing in a nursing facility or intermediate care facility for persons with mental retardation.</b>			
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 <b>Sent to Governor's Office this date. Comments, if any, will be forwarded upon receipt.</b> <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL:		16. RETURN TO:	
13. TYPED NAME:  <b>Billy R. Millwee</b>		<b>Billy R. Millwee</b> <b>State Medicaid Director</b> <b>Post Office Box 85200</b> <b>Austin, Texas 78711-5200</b>	
14. TITLE:  <b>State Medicaid Director</b>			
15. DATE SUBMITTED:  <b>February 2, 2011</b>			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED: <b>3 February, 2011</b>		18. DATE APPROVED: <b>29 April 2011</b>	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL:  <b>3 February, 2011</b>		20. SIGNATURE OF REGIONAL OFFICIAL:	
21. TYPED NAME:  <b>Bill Brooks</b>		22. TITLE: <b>Associate Regional Administrator</b> <b>Division of Medicaid &amp; Children's Health</b>	
23. REMARKS: <b>* Pen and Ink Change made to add Appendix 1 to Attachment 3.1-B page 40 to the SPA pkg. per State E-mail dated 3/24/2011</b>			

**18. Hospice Care.**

The Texas Department of Aging and Disability Services (DADS) administers the Texas Medicaid hospice program through provider enrollment contracts with hospice agencies. These agencies must be licensed by the DADS and be Medicare certified as hospice agencies by the Centers for Medicare & Medicaid Services (CMS), Department of Health and Human Services. Coverage of services in the Texas Medicaid hospice program follows the amount, duration, and scope of services specified in the Medicare hospice program, with the following three exceptions.

1. The Texas Medicaid hospice program has unlimited benefit periods of unlimited duration.
2. The Texas Medicaid hospice program does not have a maximum number of days for which a recipient can receive hospice services under Medicaid.
3. The Texas Medicaid hospice program does not allow cost sharing to be imposed on Medicaid recipients for hospice services rendered to Medicaid recipients.

The recipient must file a Medicaid election statement with a specific Medicaid hospice provider. In doing so, the recipient waives rights to other Medicaid services that are related to the treatment of his or her terminal illness(es) with the exception of individuals less than 21 years of age. Individuals less than 21 years of age may receive concurrent hospice and acute care treatment. The recipient has the right to cancel the election at any time without forfeiting additional Medicaid hospice coverage at a later time. The recipient does not waive rights to Medicaid services for conditions not related to the terminal condition. Dually eligible (Medicare and Medicaid) recipients must participate in the Medicare and Medicaid hospice programs simultaneously in order to receive Medicaid hospice services.

SUPERSEDES: TN- 10-50

STATE <u>Texas</u>	A
DATE REC'D <u>2-3-11</u>	
DATE APPV'D <u>4-29-11</u>	
DATE EFF <u>2-3-11</u>	
HCFA 179 <u>11-02</u>	

TN 11-02

Approval Date 4-29-11

Effective Date 2-3-11

Supersedes TN 10-50

**Hospice Care (continued)**

The 42 U.S.C. §1396(a)(13)(B) requires Medicaid to pay a per diem amount that takes into account "the room and board furnished by the facility, equal to at least 95 percent of the rate that would have been paid by the State under the plan for facility services in that facility for that individual." To comply with this federal statute, effective February 1, 2011, the Texas Department of Aging and Disability Services (DADS) pays a Medicaid hospice room and board per diem amount that is 96.96 percent of the appropriate case mix class of service rate for each Medicaid recipient residing in a nursing facility and that is 96.96 percent of the appropriate level of need service rate for each Medicaid recipient residing in an intermediate care facility for persons with mental retardation.

DADS pays the Medicaid hospice room and board rate to Medicaid hospice providers who in turn pay nursing facilities and intermediate care facilities for persons with mental retardation at least that same amount for room and board services provided to Medicaid hospice recipients residing in that facility.

The nursing facility case mix class of service rates are determined in accordance with the Medicaid state plan reimbursement methodology for nursing facilities. The intermediate care facility for persons with mental retardation rates are determined in accordance with the Medicaid state plan reimbursement methodology for intermediate care facilities for persons with mental retardation.

SUPERSEDES: TN- 08-30

STATE <u>TEXAS</u>	A
DATE REC'D <u>2-3-11</u>	
DATE APPV'D <u>4-29-11</u>	
DATE EFF <u>2-3-11</u>	
HCFA 179 <u>11-02</u>	

TN 11-02

Approval Date 4-29-11

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