

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
1301 Young Street, Room 833  
Dallas, Texas 75202



**Division of Medicaid & Children's Health, Region VI**

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July 17, 2009

Our Reference: SPA TX 07-036

Mr. Chris Traylor  
Associate Commissioner for Medicaid & CHIP  
Health and Human Services Commission  
Post Office Box 13247  
Mail Code: H100  
Austin, Texas 78711

Dear Mr. Traylor:

We have reviewed the State's proposed amendment to the Texas State Plan submitted under Transmittal Number 07-036, dated August 28, 2007. This amendment revises the plan language regarding the reimbursement methodology for Primary Home Care (PHC) to change the method for determining rates for the period of September 1, 2007 through August 31, 2008. Additionally, the amendment revises the plan language relating to consumer directed services to institute a monthly payment to Consumer Directed Services Agencies (CDSAs).

Based on the information submitted, we have approved the amendment for incorporation into the official Texas State Plan with an effective date change of September 1, 2007. A copy of the CMS-179 and approved plan pages are enclosed with this letter.

If you have any questions, please contact Ford J. Blunt at (214) 767-6381.

Sincerely,

/s/

Bill Brooks  
Associate Regional Administrator

Enclosures

cc: Tamela Griffin, Policy Development Support

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b> <b>FOR: CENTERS FOR MEDICARE AND MEDICAID</b>		1. TRANSMITTAL NUMBER:  <b>TX 07-036</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>September 1, 2007</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 CFR 440.167</b>		7. FEDERAL BUDGET IMPACT: SEE ATTACHMENT a. FFY 2007      \$ 1,874,502 b. FFY 2008      \$ 19,925,245	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  <b>SEE ATTACHMENT</b>		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  <b>SEE ATTACHMENT</b>	
10. SUBJECT OF AMENDMENT:  This amendment revises the plan language in the Reimbursement Methodology Primary Home Care Services (PHC) to change the method for determining the rates for the period of September 1, 2007, through August 31, 2008. In addition, the amendment revises the plan language relating to Consumer Directed Services to institute a monthly payment to Consumer Directed Services Agencies as per Centers for Medicare and Medicaid Services direction.			
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:  <b>Chris Traylor</b> <b>State Medicaid Director</b> <b>Post Office Box 85200</b> <b>Austin, Texas 78711-5200</b>	
13. TYPED NAME: <b>Chris Traylor</b>			
14. TITLE: <b>State Medicaid Director</b>			
15. DATE SUBMITTED: <b>8/28/07</b>			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED: <b>28 August, 2007</b>		18. DATE APPROVED: <b>17 July, 2009</b>	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: <b>1 September, 2007</b>		20. SIGNATURE OF REGIONAL OFFICIAL: <b>Billy Bol Farrell for</b>	
21. TYPED NAME: <b>Bill Brooks</b>		22. TITLE: <b>Associate Regional Administrator</b> <b>Div of Medicaid &amp; Children's Health</b>	
23. REMARKS:			

- (D) Recommended payment rate for the service support cost area. The total units of service for each provider agency are summed until the median hour of service is reached. The corresponding projected expense is the weighted median cost component. The weighted median cost component is multiplied by 1.044 to calculate the recommended payment rate for the service support cost area.
- (3) Total recommended payment rate.
- (A) For nonpriority clients. The recommended payment rate is determined by summing the recommended payment rate described in IX (2) and the cost area component from IX (1)(B).
- (B) For Priority 1 clients. The recommended payment rate is determined by summing the recommended payment rate described in IX (2) and the cost area component from IX (1)(C).
- (4) For services provided on or after August 1, 2007, through August 31, 2007, the non-priority attendant cost area described in IX(1)(B) is equal to the rate in effect July 31, 2007, plus \$0.15 and the priority attendant cost area described in IX(1)(C) is equal to the rate in effect July 31, 2008, plus \$0.15. These rates were posted on the agency's website on September 7, 2007. All rates are available through the agency's website as outlined on Attachment 4.19-B, page 1.
- (5) For services provided on or after September 1, 2007, through August 31, 2008, the total payment rate for nonpriority clients will be equal to the total payment rate for nonpriority clients in effect July 31, 2007, plus 5.56% and the total payment rate for priority clients will be equal to the total payment rate for priority clients in effect July 31, 2007, plus 3.62%. These rates were posted on the agency's website on August 31, 2007. All rates are available through the agency's website as outlined on Attachment 4.19-B, page 1.
- (6) All rates are available through the agency's website as outlined on Attachment 4.19-B, page 1.

SUPERSEDES: TN 07-33

STATE <u>Texas</u>	A
DATE REC'D <u>8-28-07</u>	
DATE APP'D <u>7-17-09</u>	
DATE EFF <u>9-1-07</u>	
HCFA 179 <u>07-36</u>	

TN No. 07-36

Approval Date 7-17-09

Effective Date 9-1-07

Supersedes TN No. 07-33

XI. Consumer Directed Services

- (1) Consumer Directed Services (CDS) are made available to eligible clients in the Primary Home Care (PHC) and Personal Care Services (PCS) programs.
- (2) For services provided on or after September 1, 2007, the payment rate for the Consumer Directed Services Agency (CDSA) is a flat monthly fee determined by modeling the estimated cost to carry out the financial management responsibilities of the CDSA. These rates were posted on the agency's website on September 7, 2007. All rates are available through the agency's website as outlined on Attachment 4.19-B, page 1.
- (3) For services provided on or after September 1 2007, the payment rate for the self-directed service is modeled based on the payment rate to the traditional agency less the amount needed to fund the CDSA responsibilities. These rates were posted on the agency's website on September 7, 2007.
- (4) All rates are available through the agency's website as outlined on Attachment 4.19-B, page 1.

SUPERSEDES: TN 04-19

STATE	<u>Texas</u>	A
DATE REC'D	<u>8-28-07</u>	
DATE APPV'D	<u>7-17-09</u>	
DATE EFF	<u>9-1-07</u>	
HCFA 179	<u>07-36</u>	

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