



Division of Medicaid & Children's Health, Region VI

March 16, 2011

Our Reference: SPA TX 10-80

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

Dear Mr. Millwee:

We have reviewed the State's proposed amendment to the Texas State Plan submitted under Transmittal Number 10-80, dated December 28, 2010. This state plan amendment implements a reimbursement reduction of one percent for Medicaid family planning services and updates the family planning fee schedule.

Additionally, please note that when the State submits a State Plan Amendment (SPA) that may impact Indians or Indian health providers, CMS will look for evidence of the State's Tribal consultation process for that SPA. Pursuant to the new section 1902(a) (73) of the Act added by section 5006(e) of the American Recovery and Reinvestment Act (ARRA) of 2009, the State must submit evidence to CMS regarding the solicitation of advice prior to submission of the State Plan Amendment. Such consultation must include all federally-recognized tribes, Indian Health Service and Urban Indian Organizations within the State.

Based on the information submitted, we have approved the amendment for incorporation into the official Texas State Plan with an effective date change of February 1, 2011. A copy of the CMS-179 and the approved plan pages are enclosed with this letter.

CMS is approving this state plan amendment; however, due to concerns regarding potential problems with access to care, CMS will continue to inquire about the results of the State's planned efforts to monitor access to care to help determine whether it has been negatively affected by this rate reduction or due to the State's rate reductions. If you have any questions, please contact Cheryl Rupley at (214) 767-6278.



Sincerely,

/s/

Bill Brooks
Associate Regional Administrator

Enclosures

cc: Emily Zalkovsky, Policy Development Support

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES		1. TRANSMITTAL NUMBER: 10-080	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: Section 1905(a)(4)(C), Social Security Act; 42 C.F.R. §§ 440.40 and 441.20		7. FEDERAL BUDGET IMPACT: SEE ATTACHMENT a. FFY 2011 \$(381,664) b. FFY 2012 \$(606,101) c. FFY 2013 \$(626,467)	
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 proposed amendment implements a one percent payment reduction for reimbursements paid for Medicaid family planning services.			
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 <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL forwarded upon receipt.			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Billy R. Millwee State Medicaid Director Post Office Box 85200 Austin, Texas 78708	
13. TYPED NAME: Billy R. Millwee			
14. TITLE: State Medicaid Director			
15. DATE SUBMITTED: December 27, 2010			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 28 December, 2010		18. DATE APPROVED: 16 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:			

7. Reimbursement Methodology for Family Planning Services.

- (a) Payment for family planning services is made in accordance with the provisions contained in items 1 (Physicians and Certain Other Practitioners), 3 (Clinical Labs), 35 (Certified Pediatric and Family Nurse Practitioners and Advanced Nurse Practitioners), and 41 (Certified Registered Nurse Anesthetists) depending on the service provided and the provider type. For other agencies which are physician-directed and are approved to provide family planning services under this state plan, the upper payment limits will not be in excess of a fee schedule, as approved by the single state agency, for each of the professional services authorized as benefits.
- (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 family planning providers effective February 1, 2011. The fee schedule will be posted on the agency website on April 8, 2011.
- (d) The reimbursement for services effective September 1, 2010 through January 31, 2011 will be equal to the reimbursement on August 31, 2010, less one percent. For new reimbursement rates or reimbursement rates that were revised after August 31, 2010 for services effective September 1, 2010 through January 31, 2011, the reimbursement will be reduced by one percent.
- (e) The reimbursement for services effective February 1, 2011 will be equal to the reimbursement on August 31, 2010, less two percent. For new reimbursement rates or reimbursement rates revised after August 31, 2010 for services effective February 1, 2011, the reimbursement will be reduced by two percent.

SUPERSEDES: TN- 10-65

STATE <u>Texas</u>	A
DATE REC'D <u>12-28-10</u>	
DATE APP'D <u>3-16-11</u>	
DATE EFF <u>2-1-11</u>	
HCFA 179 <u>10-80</u>	

TN No. 10-80 Approval Date 3-16-11 Effective Date 2-1-11

Supersedes TN No. 10-65