

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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October 12, 2011

Our Reference: SPA TX 11-024

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 11-024, dated July 14, 2011. This state plan amendment updates the fee schedule rate for hearing aids and audiometric evaluations.

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

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

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>		1. TRANSMITTAL NUMBER:  <b>11-024</b>	2. STATE:  <b>TEXAS</b>
		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:  <b>July 1, 2011</b>	
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: <b>Title XIX, Section 1905(r)(4) of the Social Security Act; 42 CFR §440.40</b>		7. FEDERAL BUDGET IMPACT: SEE ATTACHMENT  a. FFY 2011      \$ 6,898 b. FFY 2012      \$25,672 c. FFY 2013      \$26,287	
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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  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 updates the hearing aids and audiometric evaluations fee schedule.</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</b> <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL <b>be forwarded upon receipt.</b>			
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 13247, MC: H-100</b> <b>Austin, Texas 78711</b>	
14. TITLE: <b>State Medicaid Director</b>			
15. DATE SUBMITTED <b>July 14, 2011</b>			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED: <b>14 July, 2011</b>		18. DATE APPROVED: <b>12 October 2011</b>	
<b>PLAN APPROVED - ONE COPY ATTACHED</b>			
19. EFFECTIVE DATE OF APPROVED MATERIAL: <b>1 July, 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>	
3. REMARKS:			

## 9. Hearing Aids and Audiometric Evaluations

- (a) Providers of professional hearing and audiometric evaluation services are reimbursed based on the lesser of the provider's billed charges or fees determined by HHSC in accordance with Item 1 of this attachment, relating to the reimbursement methodology for physicians and certain other practitioners.
- (b) Providers of hearing aids are reimbursed the lesser of the provider's billed charges or fees determined by HHSC, which are based on a review of data available to HHSC, such as cost information from providers or manufacturers, surveys of the Medicaid fees for other states, survey information from national fee analyzers, or other relevant fee-related information.
- (c) All fee schedules are available through the agency's website as outlined on Attachment 4.19-B, page 1.
- (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.
- (f) The agency's fee schedule was revised with new fees for hearing aids and audiometric evaluation services effective July 1, 2011. This fee schedule was posted on the agency's website on July 8, 2011.

SUPERSEDES: TN 10-81

STATE <u>Texas</u>	A
DATE REC'D <u>7-14-11</u>	
DATE APPV'D <u>10-12-11</u>	
DATE EFF <u>7-1-11</u>	
HCFA 179 <u>11-24</u>	

TN 11-24

Approval Date 10-12-11

Effective Date 7-1-11

Supersedes TN 10-81