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

March 5, 2012

Our Reference: SPA TX 11-029

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 11-029, dated July 15, 2011. This state plan amendment implements a five percent reimbursement reduction for birthing center facility services.

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, 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,

Bill Brooks Associate Regional Administrator

cc: Emily Zalkovsky, Policy Development Support