



Division of Medicaid & Children's Health, Region VI

June 28, 2012

Our Reference: SPA TX 12-017

Mr. Billy Millwee
Deputy Executive Commissioner for Health Services
Health and Human Services Commission
Post Office Box 13247
Mail Code: H100
Austin, Texas 78711

Dear Mr. Millwee:

This letter is being sent as a companion to our approval of Texas State Plan Amendment (SPA) 12-017 which updates the fee schedule for Early and Periodic Screening, Diagnosis and Treatment (EPSDT) therapy providers.

CMS reviewed the submitted reimbursement pages and the corresponding coverage pages for this service. In reviewing the state plan pages, CMS found a companion page issue related to EPSDT services. In order to comply with the EPSDT requirements under 1905 (r) (5), CMS requires that the description in the state plan pages for EPSDT include language that any program limitations can be exceeded based on medical necessity.

The State may revise the plan pages based on the following options:

1. The State may include the following blanket statement at the beginning of the EPSDT portion of the state plan:

Appendix 1 to Attachment 3.1A and 3.1B, page 6 paragraph 1

In order to comply with EPSDT, please include the following language at the end of the paragraph, "Any and all limitations may be exceeded based on medical necessity."

2. The State may include the following language in each paragraph:

Appendix 1 to Attachment 3.1A and 3.1B, page 6 paragraph 4

In order to comply with EPSDT, please include the following language at the end of the paragraph; "or when medically necessary".

Appendix 1 to Attachment 3.1A and 3.1B, page 6 paragraph 5

In order to comply with EPSDT, please include the following language at the end of the first sentence; "or when medically necessary".

Appendix 1 to Attachment 3.1A and 3.1B, page 7 paragraph 1

In order to comply with EPSDT, please include the following language at the end of the first sentence; “unless medically necessary”.

Appendix 1 to Attachment 3.1A and 3.1B, page 7 paragraph 2

In order to comply with EPSDT, please include the following language at the end of the first sentence; “or when medically necessary”.

Please respond to this letter within 90 days of its receipt to address the issue described above.

Within that period, the State may submit SPAs to resolve these issues or submit a corrective action plan describing in detail how the State will resolve the issues identified in a timely manner. Failure to respond will result in the initiation of a formal compliance process. During the 90 days, CMS will provide any required technical assistance. If you have any questions, please contact Cheryl Rupley at (214) 767-6278 or cheryl.rupley@cms.hhs.gov.

Sincerely,

Bill Brooks

Associate Regional Administrator

cc: Emily Zalkovsky, Policy Development Support