

Table of Contents

State/Territory Name: Texas

State Plan Amendment (SPA) #: 13-01

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Superseding Page Listing
- 4) Approved SPA Page

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



DIVISION OF MEDICAID & CHILDREN'S HEALTH - REGION VI

June 12, 2013

Our Reference: SPA TX 13-001

Ms. Kay Ghahremani
State Medicaid/CHIP Director
Health and Human Services Commission
Post Office Box 13247
Mail Code H100
Austin, Texas 78711

Dear Ms. Ghahremani:

We have reviewed the State's proposed amendment to the Texas State Plan submitted under Transmittal Number 13-001, dated March 29, 2013. This state plan amendment revises the existing payment methodology for all Part B services. The State will reimburse for the Part B deductible for the dual eligible population up to the annual maximum amount set by Medicare each year.

Based on the information submitted, we have approved the amendment for incorporation into the official Texas State Plan with an effective date change of January 1, 2013. A copy of the CMS-179 and approved plan pages are enclosed with this letter.



If you have questions, please contact Cheryl Rupley at (214) 767-6278.

Sincerely,

A black rectangular redaction box covers the signature of Bill Brooks.

Bill Brooks
Associate Regional Administrator

cc: Becky Brownlee, Policy Development Support

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES		1. TRANSMITTAL NUMBER: 13-001	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: January 1, 2013	
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 1902(p) of the Act		7. FEDERAL BUDGET IMPACT: SEE ATTACHMENT a. FFY 2013 \$20,149,849 b. FFY 2014 \$31,022,254 c. FFY 2015 \$32,961,830	
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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): SEE ATTACHMENT TO BLOCKS 8 & 9	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 purpose of this amendment is to modify the existing payment methodology for all Part B services. The Texas Medicaid program proposes to pay the Part B deductible for dual eligibles up to the annual maximum amount set by Medicare each year. HHSC proposes this change for the purpose of ensuring continued access to care.			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: Sent to Governor's Office this date. Comments, if any, will be forwarded upon receipt. <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Kay Ghahremani State Medicaid Director Post Office Box 13247, MC: H-100 Austin, Texas 78711	
13. TYPED NAME: Kay Ghahremani			
14. TITLE: State Medicaid Director			
15. DATE SUBMITTED: March 29, 2013			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 29 MARCH 2013		18. DATE APPROVED: 12 JUNE 2013	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1 JANUARY 2013		20. SIGNATURE: 	
21. TYPED NAME: Bill Brooks		22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health	
23. REMARKS:			

Attachment to Blocks 8 & 9 of CMS Form 179

Transmittal Number 13-001

**Number of the
Plan Section or Attachment**

Supplement 1 to Attachment 4.19-B

Page 1

Page 2

Page 3

Page 4

**Number of the Superseded
Plan Section or Attachment**

Supplement 1 to Attachment 4.19-B

Page 1 (TN 12-022)

Page 2 (TN 12-022)

Page 3 (TN 12-035)

N/A – New page

State: Texas
Date Approved: 6/12/13
Date Received: 3/29/13
Date Effective: 1/1/13
Transmittal Number: 13-01

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: Texas

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -
OTHER TYPES OF CARE

Payment of Medicare Part A and Part B Deductible/Coinsurance

Except for a nominal recipient copayment (as specified in Attachment 4.18 of this state plan), if applicable, the Medicaid agency uses the following general method for payment:

1. Payments are limited to state plan rates and payment methodologies for the groups and payments listed below and designated with the letters "SP".

For specific Medicare services which are not otherwise covered by this state plan, the Medicaid agency uses Medicare rates unless a special rate or method is set out on Page 3 in items 1, 2, & 3 of this attachment.

2. Payments are up to the full amount of the Medicare rate for the groups and payments listed below, and designated with the letters "MR."
3. Payments are up to the amount of a special rate, or according to a special method, described on Page 3 in item ____ of this attachment, for those groups and payments listed below and designated with the letters "NR".
4. Any exceptions to the general methods used for a particular group or payment are specified on Page 4 in items 5&6 of this attachment.

STATE <u>Texas</u>	A
DATE REC'D <u>3-29-13</u>	
DATE APPV'D <u>6-12-13</u>	
DATE EFF <u>1-1-13</u>	
HCFR 179 <u>13-01</u>	

TN: 13-01

Approval Date: 6-12-13

Effective Date: 1-1-13

Supersedes TN: 12-22

SUPERSEDES: TN- 12-22

STATE <u>Texas</u>	A
DATE REC'D <u>3-29-13</u>	
DATE APPV'D <u>6-12-13</u>	
DATE EFF <u>1-1-13</u>	
NOFA 179 <u>13-01</u>	

State of Texas
Supplement 1 to Attachment 4.19-B
Page 2

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State/Territory: Texas

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
OTHER TYPES OF CARE

Payment of Medicare Part A and Part B Deductible/Coinsurance

QMBs:	Part A <u>SP</u> Deductibles	<u>SP</u> Coinsurance
	*Part B <u>MR</u> Deductibles	<u>SP</u> Coinsurance

Other Medicaid Recipients	Part A <u>SP</u> Deductibles	<u>SP</u> Coinsurance
	*Part B <u>MR</u> Deductibles	<u>SP</u> Coinsurance

Dual Eligible (QMB Plus)	Part A <u>SP</u> Deductibles	<u>SP</u> Coinsurance
	*Part B <u>MR</u> Deductibles	<u>SP</u> Coinsurance

* The payment of the Medicare Part B deductible and coinsurance for services listed in Supplement 1 to Attachment 4.19-B, Page 4, item 6 is based on the Medicare rate.

TN: 13-01 Approval Date: 6-12-13 Effective Date: 1-1-13
Supersedes TN: 12-22

SUPERSEDES: TN: 12-22

STATE	<u>TEXAS</u>
DATE REC'D	<u>3-29-13</u>
DATE APP'D	<u>6-12-13</u>
DATE EFF	<u>1-1-13</u>
STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT	
113FA 170	<u>13-01</u> State/Territory <u>Texas</u>

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
OTHER TYPES OF CARE

Payment of Medicare Part A and Part B Deductible/Coinsurance

* The payment of the Medicare Part A deductible and coinsurance for inpatient hospital services and the payment of the Medicare Part B deductible and coinsurance for outpatient and professional services are based on the following. The payment of all other Part A deductible and coinsurance is based on the Medicare rate.

1. If the Medicare payment amount equals or exceeds the Medicaid payment rate, the State is not required to pay the Medicare deductible/coinsurance on a crossover claim. However, for Part B services, the state will pay the Part B deductible for dual eligibles up to the annual maximum deductible amount set by Medicare each year.
2. If the Medicare payment amount is less than the Medicaid payment rate, the State is required to pay the Medicare deductible/coinsurance on a crossover claim, but the amount of payment is limited to the lesser of the deductible/coinsurance (resulting in a combined Medicare/State payment amount equal to the Medicare rate) or the amount remaining after the Medicare payment amount is subtracted from the Medicaid payment rate (resulting in a combined Medicare/State payment amount equal to the Medicaid payment rate). However, for Part B services, the state will pay the Part B deductible for dual eligibles up to the annual maximum deductible amount set by Medicare each year.
3. If a claim for Part B services includes both deductible and coinsurance owed, the State will pay the Part B deductible for dual eligibles up to the annual maximum deductible amount set by Medicare each year. To determine how much coinsurance to pay, the State will consider the total of the Medicare payment and the deductible payment. If the total of these two payments is more than the Medicaid payment rate, then the State will not pay any coinsurance on the claim. If the total of these two payments is less than the Medicaid payment rate, then the State will pay the amount remaining after the total payment amount (Medicare payment plus deductible payment) is subtracted from the Medicaid payment rate (resulting in a combined Medicare/State payment equal to the Medicaid payment rate).

TN: 13-01

Approval Date: 6-12-13

Effective Date: 1-1-13

Supersedes TN: 12-35

SUPERSEDES: TN- 12-35

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: Texas

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
OTHER TYPES OF CARE

Payment of Medicare Part A and Part B Deductible/Coinsurance

4. Coverage of a recipient's deductible and/or coinsurance liabilities as specified in this section satisfies the State's obligation to provide Medicaid coverage for services that would have been paid in the absence of Medicare coverage.
5. On crossover claims from renal dialysis facility providers, the payment will be equal to the Medicare coinsurance minus five percent. For renal dialysis claims, the state will pay the Part B deductible for dual eligibles up to the annual maximum deductible amount set by Medicare each year.
6. The payment of the Medicare Part B deductible and coinsurance for the following types of crossover claims is based on the Medicare rate:
 - services provided by psychiatrists, psychologists, and licensed clinical social workers;
 - codes R0070 and R0075, related to the transport of portable x-ray equipment; and
 - services provided for emergency ambulance transports and hospital to hospital transports.

STATE <u>TEXAS</u>	A
DATE REC'D <u>3-29-13</u>	
DATE APPV'D <u>6-12-13</u>	
DATE EFF <u>1-1-13</u>	
HCPA 179 <u>13-01</u>	

TN: 13-01

Approval Date: 6-12-13

Effective Date: 1-1-13

Supersedes TN: New page

SUPERSEDES: NONE - NEW PAGE