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State/Territory Name: Texas

State Plan Amendment (SPA) #: 13-12

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 21, 2013

Our Reference: SPA TX 13-012

Ms. Kay Ghahremani
State Medicaid 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 13-12, dated March 29, 2013. This state plan amendment updates the fee schedule for physicians and other licensed practitioners as required under Section 1202 of the Health Care and Education Reconciliation Act of 2010.

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.

As we are working in partnership to implement this important provision, we would greatly appreciate if you can inform us when your State begins to pay the increased rates to your providers. Additionally, to the extent you have information regarding the number of providers receiving the enhanced payments; we would appreciate that information as well.

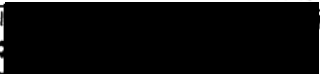

If you have questions, please contact Cheryl Rupley at (214) 767-6278.

Sincerely,

A black rectangular redaction box covering 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 & MEDICAID SERVICES		1. TRANSMITTAL NUMBER: 13-012	2. STATE: TEXAS
		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: January 1, 2013	
5. TYPE OF PLAN MATERIAL (Circle One): <input type="checkbox"/> NEW 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: § 1902(a)(13)(C), (j) of the Social Security Act, relating to State Plans for Medical Assistance; 42 C.F.R. §§ 447.400, .405, .410; 42 CFR 440.50(a); §1905(a)(5)(A) of Social Security Act, relating to Physician Services; 42 CFR 440.60(a); §1905(a)(6)(A) of Social Security Act, relating to Other Licensed Practitioners.		7. FEDERAL BUDGET IMPACT: SEE ATTACHMENT a. FFY 2013 \$247,893,506 b. FFY 2014 \$347,735,383 c. FFY 2015 \$121,412,315	
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 updates rates for primary care evaluation and management services and vaccine administration services as directed by the Affordable Care Act.			
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 forwarded upon receipt. <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF OFFICIAL: 		16. RETURN TO: Kay Ghahremani State Medicaid Director Post Office Box 85200 Austin, Texas 78708	
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: 21 June 2013	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1 JANUARY 2013		20. SIGNATURE OF OFFICIAL: 	
21. TYPED NAME: Bill Brooks		22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health	
3. REMARKS:			

Attachment to Blocks 8 & 9 of CMS Form 179

Transmittal Number 13-012

**Number of the
Plan Section or Attachment**

Attachment 4.19-B

Page 1a.4

Page 1a.5

Page 1a.6

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

Attachment 4.19-B

N/A – new page

N/A – new page

N/A – new page

State: Texas
Date Approved: 6/21/13
Date Received: 3/29/13
Date Effective: 1/1/13
Transmittal Number: 13-12

Reimbursement Template - Physician Services

Increased Primary Care Service Payment 42 CFR 447.405, 447.410, 447.415

Attachment 4.19-B: Physician Services 42 CFR 447.405 Amount of Minimum Payment

The state reimburses for services provided by physicians meeting the requirements of 42 CFR 447.400(a) at the Medicare Part B fee schedule rate using the Medicare physician fee schedule rate in effect in calendar years 2013 and 2014 or, if greater, the payment rates that would be applicable in those years using the calendar year 2009 Medicare physician fee schedule conversion factor. If there is no applicable rate established by Medicare, the state uses the rate specified in a fee schedule established and announced by CMS.

- ☐ The rates reflect all Medicare site of service and locality adjustments.
- ☒ The rates do not reflect site of service adjustments, but reimburse at the Medicare rate applicable to the office setting.
- ☐ The rates reflect all Medicare geographic/locality adjustments.
- ☒ The rates are statewide and reflect the mean value over all counties for each of the specified evaluation and management and vaccine billing codes.

The following formula was used to determine the mean rate over all counties for each code: *The State is using the March, 2013 Deloitte fee schedule. The enhanced fee schedule will be updated annually to account for changes to the Medicare rate.*

Method of Payment

- ☐ The state has adjusted its fee schedule to make payment at the higher rate for each E&M and vaccine administration code.
- ☒ The state reimburses a supplemental amount equal to the difference between the Medicaid rate in effect on July 1, 2009 and the minimum payment required at 42 CFR 447.405.

Supplemental payment is made: ☐ monthly ☒ quarterly

STATE <u>Texas</u>	A
DATE REC'D <u>3-29-13</u>	
DATE APPV'D <u>6-21-13</u>	
DATE EFF <u>1-1-13</u>	
NOFA 179 <u>13-12</u>	

TN: 13-12

Approval Date: 6-21-13

Effective Date: 1-1-13

Supersedes TN: None - new page

SUPERSEDES. NONE - NEW PAGE

STATE	TEXAS
DATE REC'D	3-29-13
DATE APPV'D	6-21-13
DATE EFF	1-1-13
HOUFA 179	13-12

A

State of Texas
Attachment 4.19-B
Page 1a.5

Reimbursement Template - Physician Services

Increased Primary Care Service Payment (continued)

Primary Care Services Affected by this Payment Methodology

☐ This payment applies to all Evaluation and Management (E&M) billing codes 99201 through 99499.

☒ The State did not make payment as of July 1, 2009 for the following codes and will not make payment for those codes under this SPA (specify codes).

99288, 99360, 99363, 99364, 99366, 99368, 99401, 99402, 99403, 99404, 99408, 99409, 99411, 99412, 99420, 99429, 99441, 99442, 99443, 99444, 99450, 99455, 99456, 99466, 99467, 99485, 99486, 99487, 99488, 99489, 99495, and 99496.

(Primary Care Services Affected by this Payment Methodology – continued)

☒ The state will make payment under this SPA for the following codes which have been added to the fee schedule since July 1, 2009 (specify code and date added).

Added 1/1/2010: 99385, 99386, 99387, 99395, 99396, 99397

Added 1/1/2011: 99224, 99225, 99226

Added 1/1/2012: 99406, 99407

Physician Services – Vaccine Administration

For calendar years (CYs) 2013 and 2014, the state reimburses vaccine administration services furnished by physicians meeting the requirements of 42 CFR 447.400(a) at the lesser of the state regional maximum administration fee set by the Vaccines for Children (VFC) program or the Medicare rate in effect in CYs 2013 and 2014 or, if higher, the rate using the CY 2009 conversion factor.

☐ Medicare Physician Fee Schedule rate

☒ State regional maximum administration fee set by the Vaccines for Children program - \$22.06

☐ Rate using the CY 2009 conversion factor

TN: 13-12

Approval Date: 6-2-13

Effective Date: 1-1-13

Supersedes TN: None - New Page

SUPERSEDES: NONE - NEW PAGE

STATE <u>TEXAS</u>	A
DATE REC'D <u>3-29-13</u>	
DATE APPV'D <u>6-21-13</u>	
DATE EFF <u>1-1-13</u>	
NOFA 179 <u>13-12</u>	

State of Texas
Attachment 4.19-B
Page 1a.6

Reimbursement Template - Physician Services

Increased Primary Care Service Payment (continued)

Documentation of Vaccine Administration Rates in Effect 7/1/09

The state uses one of the following methodologies to impute the payment rate in effect at 7/1/09 for code 90460, which was introduced in 2011 as a successor billing code for billing codes 90465 and 90471.

☒ The imputed rate in effect at 7/1/09 for code 90460 equals the rate in effect at 7/1/09 for billing codes 90465 and 90471 times their respective claims volume for a 12 month period which encompasses July 1, 2009. Using this methodology, the imputed rate in effect for code 90460 at 7/1/09 is: \$8.80.

☐ A single rate was in effect on 7/1/09 for all vaccine administration services, regardless of billing code. This 2009 rate is: _____.

☐ Alternative methodology to calculate the vaccine administration rate in effect 7/1/09: _____

Note: This section contains a description of the state's methodology and specifies the affected billing codes.

Effective Date of Payment

E & M Services

This reimbursement methodology applies to services delivered on and after January 1, 2013, ending on December 31, 2014, but not prior to December 31, 2014. All rates are published at (<http://public.tmhp.com/FeeSchedules/StaticFeeSchedule/FeeSchedules.aspx>).

Vaccine Administration

This reimbursement methodology applies to services delivered on and after January 1, 2013, ending on December 31, 2014, but not prior to December 31, 2014. All rates are published at (<http://public.tmhp.com/FeeSchedules/StaticFeeSchedule/FeeSchedules.aspx>).

TN: 13-12

Approval Date: 6-21-13

Effective Date: 1-1-13

Supersedes TN: None - New page

SUPERSEDES: NONE - NEW PAGE