

## Table of Contents

State/Territory Name: Texas

State Plan Amendment (SPA) #: 14-24

This file contains the following documents in the order listed:

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

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**

---

October 23, 2014

Our Reference: SPA TX 14-024

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 14-024, dated September 3, 2014. This state plan amendment updates the fee schedule for birthing centers.

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, 2014. A copy of the CMS-179 and approved plan pages are enclosed with this letter.

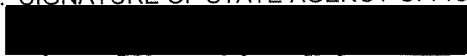

If you have questions, please contact Cheryl Rupley at (214) 767-6278.

Sincerely,



Bill Brooks  
Associate Regional Administrator

cc: Becky Brownlee, Policy Development Support

|  |  |  |  |
|--|--|--|--|
| <b>TRANSMITTAL AND NOTICE OF APPROVAL OF<br/>STATE PLAN MATERIAL</b><br><b>FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES</b>   |  | 1. TRANSMITTAL NUMBER:<br><br><div style="text-align: center; font-weight: bold;">14-024</div>   | 2. STATE:<br><br><div style="text-align: center; font-weight: bold;">TEXAS</div> |
|  |  | 3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)   |  |
| TO: REGIONAL ADMINISTRATOR<br>CENTERS FOR MEDICARE AND MEDICAID SERVICES<br>DEPARTMENT OF HEALTH AND HUMAN SERVICES  |  | 4. PROPOSED EFFECTIVE DATE:<br><br><div style="text-align: center; font-weight: bold;">July 1, 2014</div>  |  |
| 5. TYPE OF PLAN MATERIAL ( <i>Circle One</i> ):<br><br><div style="display: flex; justify-content: space-between;"> <span><input type="checkbox"/> NEW STATE PLAN</span> <span><input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN</span> <span><input checked="" type="checkbox"/> AMENDMENT</span> </div>  |  |  |  |
| COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT ( <i>Separate Transmittal for each amendment</i> )   |  |  |  |
| 6. FEDERAL STATUTE/REGULATION CITATION:<br><b>42 CFR §§ 440.50(a), 440.165, 440.210, 440.220; §§ 1902, 1905(a)(5)(A), (6), (17) of Social Security Act, relating to Physician Services and Nurse Midwife Services</b>  |  | 7. FEDERAL BUDGET IMPACT: <b>SEE ATTACHMENT</b><br>a. FFY 2014                      \$ 698<br>b. FFY 2015                      \$ 2,849<br>c. FFY 2016                      \$ 2,974 |  |
| 8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:<br><br><b>SEE ATTACHMENT TO BLOCKS 8 &amp; 9</b>   |  | 9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ):<br><br><b>SEE ATTACHMENT TO BLOCKS 8 &amp; 9</b>   |  |
| 10. SUBJECT OF AMENDMENT:<br><br><b>The proposed amendment updates the Medicaid birthing center fee schedule.</b>  |  |  |  |
| 11. GOVERNOR'S REVIEW ( <i>Check One</i> ):<br><div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT<br/> <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED<br/> <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL         </div> <div> <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: Sent to Governor's Office this date. Comments, if any, will be forwarded upon receipt.         </div> </div> |  |  |  |
| 12. SIGNATURE OF STATE AGENCY OFFICIAL:<br>   |  | 16. RETURN TO:<br><br><b>Kay Ghahremani</b><br><b>State Medicaid Director</b><br><b>Post Office Box 13247, MC: H-100</b><br><b>Austin, Texas 78711</b>                               |  |
| 13. TYPED NAME:<br><b>Kay Ghahremani</b>   |  |  |  |
| 14. TITLE:<br><b>State Medicaid Director</b>   |  |  |  |
| 15. DATE SUBMITTED:<br><b>September 3, 2014</b>  |  |  |  |
| FOR REGIONAL OFFICE USE ONLY   |  |  |  |
| 17. DATE RECEIVED: 3 September, 2014   |  | 18. DATE APPROVED: 23 October, 2014  |  |
| PLAN APPROVED – ONE COPY ATTACHED  |  |  |  |
| 19. EFFECTIVE DATE OF APPROVED MATERIAL:<br><br><div style="text-align: center;">1 July, 2014</div>  |  | 20. SIGNATURE OF REGIONAL OFFICIAL:<br>  |  |
| 21. TYPED NAME:<br><div style="text-align: center;">BILL BROOKS</div>  |  | 22. TITLE: Associate Regional Administrator<br>Division of Medicaid & Children's Health  |  |
| 23. REMARKS:   |  |  |  |

**Attachment to Blocks 8 & 9 of CMS Form 179**

**Transmittal No. 14-024**

**Number of the  
Plan Section or Attachment**

Attachment 4.19-B  
Page 8

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

Attachment 4.19-B  
Page 8 (TN 13-007)

State: Texas  
Date Received: 3 September, 2014  
Date Approved: 23 October, 2014  
Date Effective: 1 July, 2014  
Transmittal Number: 14-24

## 17. Birthing Center Facility Services.

Medicaid providers of birthing center services are reimbursed based on fee schedules as follows:

- (a) Subject to the specifications, conditions, requirements, and limitations established by HHSC; payment for covered birthing center services provided by a participating, licensed birthing center is limited to the lesser of the customary charge or the allowable rates per established fee schedule by HHSC.
- (b) The fee schedule established by HHSC is based upon: (1) survey of costs to provide the services; (2) review of Medicaid fees paid by other states; (3) Medicaid fees for similar services; (4) Medicare fees; and/or (5) some combination or percentage thereof.
- (c) The birth attendant must be a physician, Certified Nurse-Midwife (CNM) or Licensed Midwife (LM). The physician, CNM or LM who was the birth attendant must be identified on the birthing center's claim. Prenatal, labor, delivery and postpartum services performed or provided by physicians, CNMs, or LMs are not considered birthing center facility services.
- (d) The birthing center must bill for the services that it provides. Unless approved by the State Agency or its designee, the birthing center may not bill for services provided by another type of provider. If the birthing center bills a single or itemized combined rate, charge, or amount for covered services for two or more providers, payment is the lesser of the single or itemized combined rate, charge, or the amount that would have been paid had each performing provider billed separately.
- (e) All fee schedules are available through the agency's website as outlined on Attachment 4.19-B, Page 1.
- (f) The agency's fee schedule was revised with new fees for providers of birthing center services effective for services on or after July 1, 2014. The fee schedule was posted on July 15, 2014.

State: Texas  
Date Received: 3 September, 2014  
Date Approved: 23 October, 2014  
Date Effective: 1 July, 2014  
Transmittal Number: 14-24

TN: 14-24

Approval Date: 10-23-14

Effective Date: 7-1-14

Supersedes TN: 13-07