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State/Territory Name: Texas

State Plan Amendment (SPA) #: 15-02 NIRT

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  
7500 Security Boulevard, Mail Stop S3-14-28  
Baltimore, Maryland 21244-1850



**Center for Medicaid, CHIP, and Survey & Certification**  
**Financial Management Group**

**JAN 27 2015**

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

RE: TN 15-0002

Dear Ms. Ghahremani:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 15-0002. This amendment would increase the number of adults who were admitted to a pediatric care nursing facility as children, but who are no longer children (individuals who have aged in place), that are allowed to be counted as children for the purposes of determining whether a facility meets the qualification requirements to remain a pediatric care nursing facility. The State would increase the allowed percentage from 15 percent to 33 percent of the facility's average daily census. It allows the single existing pediatric nursing care facility in the state to maintain its pediatric care facility designation.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. As part of the review process the State was asked to provide information regarding funding of the State share of expenditures under Attachment 4.19-D.

Based upon the information provided by the State, Medicaid State plan amendment 15-0002 is approved effective January 1, 2015. We are enclosing the CMS-179 and the new plan page.

If you have any questions, please call Tamara Sampson at (214) 767-6431.

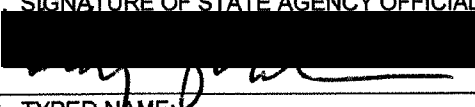

Sincerely,

A solid black rectangular box used to redact the signature of Timothy Hill.

Timothy Hill  
Director

A handwritten signature in black ink, appearing to be "TH", located to the right of the printed name and title.

Enclosures

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE AND MEDICAID</b>		1. TRANSMITTAL NUMBER:  <b>15-002</b>	2. STATE:  <b>TEXAS</b>
		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:  <b>January 1, 2015</b>	
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: <b>42 C.F.R. § 440.40 and § 440.155 Section 1905(a)(4)(A) and (B) of the Social Security Act</b>		7. FEDERAL BUDGET IMPACT: See attachment a. FFY 2015      \$0 b. FFY 2016      \$0 c. FFY 2017      \$0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  <b>SEE ATTACHMENT TO BLOCKS 8 &amp; 9</b>		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  <b>SEE ATTACHMENT TO BLOCKS 8 &amp; 9</b>	
10. SUBJECT OF AMENDMENT:  <b>The proposed amendment revises the reimbursement methodology for pediatric care nursing facilities.</b>			
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 <b>Sent to Governor's Office this date. Comments, if any, will be forwarded upon receipt.</b> <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO:  <b>Kay Ghahremani State Medicaid Director Post Office Box 13247, MC: H-400 Austin, Texas 78711</b>	
13. TYPED NAME:  <b>Kay Ghahremani</b>			
14. TITLE:  <b>State Medicaid Director</b>			
15. DATE SUBMITTED:  <b>January 7, 2015</b>			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED:      7 January, 2015		18. DATE APPROVED: <b>JAN 27 2015</b>	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1 January, 2015		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: <b>Kristin Fan</b>		22. TITLE: <b>Deputy Director, FMC</b>	
23. REMARKS:			

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

**Transmittal Number 15-002**

**Number of the  
Plan Section or Attachment**

Attachment 4.19-D, NF  
Page 4c

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

Attachment 4.19-D, NF  
Page 4c (TN 08-023)

State: Texas
Date Received: 7 January, 2015
Date Approved: JAN 27 2015
Date Effective: 1 January, 2015
Transmittal Number: TX 15-002

State: Texas  
Date Received: 7 January, 2015  
Date Approved: JAN 27 2015  
Date Effective: 1 January, 2015  
Transmittal Number: TX 15-002

State of Texas  
Attachment 4.19-D  
NF  
Page 4c

(C) Special reimbursement class. HHSC may define special reimbursement classes including experimental reimbursement classes of service to be used in research and demonstration projects on new reimbursement methods and reimbursement classes of service to address the cost differences of a select group of recipients. Special classes may be implemented on a statewide basis, may be limited to a specific region of the state, or may be limited to a selected group of providers.

(1) Pediatric Care Facility Class. The purpose of this special class is to recognize, through the adoption of a facility-specific payment rate, the cost differences that exist in a nursing facility or distinct unit of a nursing facility that serves predominantly children.

(2) Definitions.

(a) Pediatric care facility – A pediatric care facility is an entire facility that has maintained an average daily census of 80% or more children for the six-month period prior to its entry into the pediatric care facility class based on the entire licensed facility. A pediatric care facility can also be a distinct unit of a facility that has maintained an average daily census of 85% or more children for the six-month period prior to its entry into the pediatric care facility class based on the distinct unit of the facility. To remain a pediatric care facility, the pediatric care facility must maintain an average daily census of 80% or more children if the pediatric care facility is an entire facility and 85% or more children if the pediatric care facility is a distinct unit of the facility. The contracted provider must request in writing by certified mail to become a member of the pediatric care facility class.

(b) Distinct unit – A portion of a nursing facility that is physically separate from (that is the beds are not commingled with other units of the facility. The distinct unit can be an entire wing, a separate building, an entire floor, or an entire hallway. The distinct unit consists of all the beds within the designated area. A distinct unit must consist of 28 or more Medicaid contracted beds.

(c) Children – For the purposes of this pediatric care facility class, children are defined as being at or below 22 years of age. For pediatric care facilities where the pediatric care facility is the entire facility only, a limited number of adults who were admitted to the facility as children but who are no longer children (i.e., individuals who have “aged in place”) may be counted as children for purposes of determining if the facility meets the requirements for remaining a pediatric care facility described in subparagraph (A) of this paragraph. The number of such individuals who may be counted as children for purposes of determining if the facility meets the requirements for remaining a pediatric care facility is limited to 33% of the average daily census of the facility. Individuals who have “aged in place” as described above may not be counted toward meeting the requirements for a facility to initially become a pediatric care facility nor can they be counted toward meeting the requirements for a distinct unit to remain a pediatric care facility.

TN: 15-002

Approval Date: JAN 27 2015

Effective Date: 1/1/2015

Supersedes TN: 08-023