

## Table of Contents

State/Territory Name: Texas

State Plan Amendment (SPA) #: 15-0032

This file contains the following documents in the order listed:

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

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**

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October 5, 2016

**Our Reference: SPA TX 15-0032**

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

Dear Ms. Snyder:

We have reviewed the State's proposed amendment to the Texas State Plan submitted under Transmittal Number 15-0032, dated December 31, 2015. This state plan amendment adds a new provider type and reimbursement for prescribed pediatric extended care centers under early periodic screening, diagnosis, and treatment (EPSDT) services.

Based on the information submitted, we have approved the amendment for incorporation into the official Texas State Plan with an effective date of November 1, 2016. A copy of the CMS-179 and approved plan pages are enclosed with this letter.

If you have any questions please contact Ford Blunt of my staff. Mr. Blunt may be reached at (214) 767-6381 or by Email at [Ford.Blunt@cms.hhs.gov](mailto:Ford.Blunt@cms.hhs.gov).

Sincerely,

A handwritten signature in black ink that reads "Bill Brooks". The signature is written in a cursive, flowing style.

Bill Brooks  
Associate Regional Administrator

cc: Dana Williamson, Manager, Policy Development Support

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES</b>		1. TRANSMITTAL NUMBER:  <div style="text-align: center; font-weight: bold;">15-032</div>	2. STATE:  <div style="text-align: center; font-weight: bold;">TEXAS</div>
		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:  <div style="text-align: center; font-weight: bold;">November 1, 2016</div>	
5. TYPE OF PLAN MATERIAL (Circle One):  <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 (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION:  <b>42 CFR §440.60, 440.130(d), 440.167, 440.170(a), 440.345</b>		7. FEDERAL BUDGET IMPACT: <b>SEE ATTACHMENT</b> a. FFY 2017                      \$ 2,140,935 b. FFY 2018                      \$ 5,300,423 c. FFY 2019                      \$ 8,920,660	
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 adds a new provider type and reimbursement for prescribed pediatric extended care centers under early periodic screening, diagnosis, and treatment (EPSDT) services.</b>			
1. GOVERNOR'S REVIEW (Check One):  <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT  <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  <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: 		16. RETURN TO:  <b>Gary Jesse State Medicaid Director Post Office Box 13247, MC: H-100 Austin, Texas 78711</b>	
13. TYPED NAME: <b>Gary Jesse</b>			
14. TITLE: <b>State Medicaid Director</b>			
15. DATE SUBMITTED: <b>December 31, 2015</b>			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: <b>December 31, 2015</b>		18. DATE APPROVED: <b>October 5, 2016</b>	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: <b>November 1, 2016</b>		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: <b>Bill Brooks</b>		22. TITLE: <b>Associate Regional Administrator Division of Medicaid and Childrens Health</b>	
23. REMARKS:			

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

**Transmittal Number 15-032**

<b><u>Number of the Plan Section or Attachment</u></b>	<b><u>Number of the Superseded Plan Section or Attachment</u></b>
Appendix 1 to Attachment 3.1-A	Appendix 1 to Attachment 3.1-A
Page 7v	N/A - new page
Page 7w	N/A - new page
Page 7x	N/A - new page
Page 7y	N/A - new page
Page 7z	N/A - new page
Page 7aa	N/A - new page
Page 7bb	N/A - new page
Page 7cc	N/A - new page
Page 7dd	N/A - new page
Page 7ee	N/A - new page
Page 64	N/A - new page
Appendix 1 to Attachment 3.1-B	Appendix 1 to Attachment 3.1-B
Page 7v	N/A - new page
Page 7w	N/A - new page
Page 7x	N/A - new page
Page 7y	N/A - new page
Page 7z	N/A - new page
Page 7aa	N/A - new page
Page 7bb	N/A - new page
Page 7cc	N/A - new page
Page 7dd	N/A - new page
Page 7ee	N/A - new page
Page 64	N/A - new page
Attachment 3.1-D	Attachment 3.1-D
Page 8	N/A - new page
Attachment 4.19-B	Attachment 4.19-B
Page 25n	N/A - new page

State: Texas  
Date Received: 12-31-2015  
Date Approved: 10-05-2016  
Date Effective 11-1-2016  
Transmittal Number: TX 15-0032

#### **4b. EPSDT Services (continued)**

##### **Prescribed Pediatric Extended Care Center Services**

###### (a) Definition:

Prescribed Pediatric Extended Care Center (PPECC) services are an array of physician-prescribed services designed to meet the medical, social and developmental needs of a child who is medically or technologically dependent and requires ongoing nursing services and other therapeutic interventions. Services are provided under the supervision of a registered nurse licensed by the state of Texas. These services are performed in a Medicaid-enrolled PPECC, which is a community-based non-residential provider licensed by the state, and compliant with state licensing standards. A PPECC serves at least four Medicaid-eligible recipients who are not related by blood, marriage, or adoption.

###### (b) Eligibility:

This service is available to individuals under the age of 21 based on a determination of medical necessity.

The utilization of PPECC services does not supplant the recipient's choice of private duty nursing, when medically necessary.

###### (c) Services:

Services are provided in a Medicaid-enrolled PPECC, licensed by the Texas Department of Aging and Disability Services and compliant with state licensing standards. PPECC services require prior authorization.

PPECC services include the development, implementation, and monitoring of a comprehensive plan of care (POC), developed in conjunction with the Medicaid recipient's responsible adult, that specifies the recipient's medical, nursing, psychosocial, therapeutic, dietary, functional, and developmental service needs, as well as the caregiver training needs of the recipient's responsible adult(s).

A PPECC must provide the following basic services, prescribed by a physician, in accordance with a recipient's assessment and comprehensive plan of care:

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#### 4b. EPSDT Services (continued)

##### Prescribed Pediatric Extended Care Center Services (continued)

###### (c) Services: (continued)

- (1) Nursing Services—Nursing services provided in accordance with 42 CFR § 440.130(d).

Nursing services must, under state law, be provided by a registered nurse (RN) or licensed vocational nurse (LVN). The provision of nursing services must comply with state licensure requirements related to nursing services and to PPECCs. Direct care staff may perform certain nursing services under the supervision of a RN, as permitted by state regulation related to nurse delegation.

- (2) Functional developmental services—Provided in accordance with 42 CFR § 440.130(d). Functional developmental services assist a recipient in maintaining or restoring functional abilities, such as adaptive, motor, and speech. For example, a recipient may receive daily reinforcement through:

- Guided practice in using a utensil during lunch or snack time;
- Guided practice in swallowing;
- Guided use of speech to make a request; or
- Guided physical activities or play that help to restore a motor function.

(A) Functional developmental services are provided by an RN or LVN licensed under state authority or a direct care staff person under the supervision of an RN. Functional developmental services are based on the needs of the recipient, in accordance with the recipient's plan of care and physician order.

(B) Functional services respond to needs identified in a functional assessment. The functional assessment is part of the comprehensive assessment performed by a RN and includes the following:

- (i) measurable goals that maintain or restore independent functioning in daily activities and promote socialization;
- (ii) a description of a recipient's strengths and present performance level with respect to each goal, and;
- (iii) planning for specific areas identified as needing restoration.

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Transmittal Number: TX 15-0032

**4b. EPSDT Services (continued)**

**Prescribed Pediatric Extended Care Center Services (continued)**

(c) Services: (continued)

(3) Psychosocial services—Provided in accordance with 42 CFR § 440.130(d).

(A) Psychosocial services are behavioral and cognitive interventions to maintain or restore a recipient's psychosocial wellbeing that has been negatively impacted by medical or technological dependence or other psychosocial stressors. Psychosocial services respond to needs identified in a comprehensive assessment conducted by a RN. Examples of psychosocial services include:

(i) Guided practice to manage or reduce feelings of frustration, anxiety, depression, stress or fear, including:

(I) Using anger or stress management techniques, such as cueing a recipient to count to 10 before responding.

(II) Breathing exercises and other relaxation techniques.

(III) Assistance with breaking tasks into manageable components.

(ii) Redirection strategies to reduce verbal aggressiveness or hostility.

(iii) Providing supportive interventions and positive reinforcement to foster healthy social interactions and interpersonal behaviors.

(iv) Reinforcing age-appropriate assertiveness and decision-making.

(B) Psychosocial services are provided by a physician, RN, or psychologist licensed by the state, consistent with the recipient's plan of care and physician order. These services may also be rendered by an LVN or direct care staff person under the supervision of the physician, RN, or psychologist.

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Date Effective 11-01-2016  
Transmittal Number: TX 15-0032

**4b. EPSDT Services (continued)**

**Prescribed Pediatric Extended Care Center Services (continued)**

(c) Services: (continued)

(4) Nutritional Counseling—Provided in accordance with 42 CFR § 440.60.

PPECC services include nutritional counseling provided by a dietitian or RN licensed by the state, in accordance with state law governing scope of practice. These services may also be rendered by an LVN or direct care staff person under the supervision of the dietitian or RN. Nutritional counseling includes advising and assisting a recipient or the recipient's responsible adult to ensure the recipient's appropriate nutritional intake.

(5) Responsible adult training and education to facilitate skill development relevant to a recipient's care are conducted by a physician (per 42 CFR §440.50), RN, or LVN (per 42 CFR §440.60). Direct care staff may perform these services under the supervision of a physician, RN, or LVN.

(6) Personal care services—Provided in accordance with 42 CFR § 440.167.

(A) Personal care services include support services provided to a recipient who meets the definition of medical necessity and requires assistance with activities of daily living (ADLs), instrumental activities of daily living (IADLs), and health-related functions because of a physical, cognitive, or behavioral limitation related to the recipient's disability or chronic health condition.

(B) Personal Care Services will be provided by direct care staff under supervision of the RN in accordance with state PPECC licensure requirements.

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Date Approved: 10-05-2016  
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Transmittal Number: TX 15-0032



**4b. EPSDT Services (continued)**

**Prescribed Pediatric Extended Care Center Services (continued)**

(c) Services: (continued)

(7) Transportation—Provided in accordance with 42 CFR § 440.170(a).

(A) Transportation services must be provided either by the PPECC or a contractor of the PPECC, when a recipient has a stated need or physician order. In accordance with state PPECC licensure requirements, the recipient must be accompanied by a PPECC nurse during transport to and from the PPECC.

(B) Transportation to and from the PPECC will be reimbursed on a per case basis (i.e., only when utilized) in accordance with 42 CFR § 440.170(a).

(C) Transportation services are subject to PPECC licensure requirements related to transportation, including the following:

(1) the driver must hold a valid and appropriate Texas driver's license, a copy of which the PPECC must keep on file;

(2) the vehicle used to transport a minor must have a current Texas safety inspection sticker and vehicle registration decal properly affixed to a vehicle;

(3) the PPECC must maintain commercial insurance for the operation of its vehicles, including coverage for minors and staff in the PPECC vehicle in the event of accident or injury; and

(4) the PPECC must maintain documentation of insurance.

(5) PPECC transportation is not provided by the transportation broker.

(6) Recipients have a choice of PPECC providers, who render the transportation services.

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Date Effective 11-01-2016  
Transmittal Number: TX 15-0032

#### **4b. EPSDT Services (continued)**

##### **Prescribed Pediatric Extended Care Center Services (continued)**

###### (d) Providers and Provider Qualifications:

In accordance with state PPECC licensure standards, the following may render PPECC services:

(1) Medical Director

Medical Director Qualifications. A medical director must:

- (A) Hold a valid, unrestricted license to practice medicine or osteopathy in Texas in accordance with state statute; and
- (B) Be board-certified in a pediatric specialty recognized by the American Board of Medical Specialties or the American Osteopathic Association.
- (C) Meet all requirements as specified in state PPECC licensure regulations.

(2) Administrator and Alternate Administrator

Administrator and Alternate Administrator Qualifications. An administrator and alternate administrator must:

- (A) Have at least two years of experience in supervision and management in a pediatric health care setting; and
- (B) Meet one of the following criteria:
  - (i) be a physician licensed in Texas to practice medicine in accordance with state statute; or
  - (ii) be an RN with a master's or baccalaureate degree in nursing and be licensed in accordance with state statute with no disciplinary actions;
- (C) Must meet all requirements as specified in state PPECC licensure regulations.

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**4b. EPSDT Services (continued)**

**Prescribed Pediatric Extended Care Center Services (continued)**

(d) Providers and Provider Qualifications: (continued)

(3) Nursing Director and Alternate Nursing Director

Nursing Director and Alternate Nursing Director Qualifications. A nursing director and alternate nursing director must:

- (A) Have a baccalaureate degree in nursing;
- (B) Have a valid RN license in accordance with state statute with no disciplinary action;
- (C) Have a valid certification in Cardio Pulmonary Resuscitation or Basic Cardiac Life Support; and
- (D) Have a minimum of two years of supervision and management in employment in a pediatric setting caring for a medically or technologically dependent minor or at least two years of supervision in one of the following specialty settings:
  - (i) pediatric intensive care;
  - (ii) neonatal intensive care;
  - (iii) pediatric emergency care;
  - (iv) center;
  - (v) home health or hospice agency specializing in pediatric care;
  - (vi) ambulatory surgical center specializing in pediatric care; or (G) have comparable pediatric unit experience in a hospital for two consecutive years before the person applies for the position of nursing director.
- (E) Meet all requirements as specified in state PPECC licensing regulations.

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Date Effective 11-01-2016  
Transmittal Number: TX 15-0032

**4b. EPSDT Services (continued)**

**Prescribed Pediatric Extended Care Center Services (continued)**

(d) Providers and Provider Qualifications: (continued)

(4) Registered Nurse

Registered Nurse Qualifications. An RN must:

- (A) Hold a valid RN license in accordance with state statute with no disciplinary action;
- (B) Hold valid certifications in Cardio Pulmonary Resuscitation and Basic First Aid; and
- (C) Have at least one of the following:
  - (i) one year of pediatric specialty experience with emphasis on medically and technologically dependent minors, obtained within the previous five years; or
  - (ii) skills sufficient to meet the competency and training requirements described in subsection (b) of this section.
- (D) Meet all requirements as specified in PPECC state licensing regulations.

(5) Licensed Vocational Nurse

Licensed Vocational Nurse Qualifications: An LVN must:

- (A) Hold a valid LVN license with no disciplinary action;
- (B) Hold valid certifications in Cardio Pulmonary Resuscitation and Basic First Aid; and
- (C) Have at least one of the following:
  - (i) one year of pediatric specialty experience with emphasis on medically and technologically dependent minors obtained within the last consecutive five years; or
  - (ii) skills sufficient to meet the competency and training requirements described in subsection (b) of this section;
- (D) Meet all requirements as specified in state PPECC licensure regulations.

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#### **4b. EPSDT Services (continued)**

##### **Prescribed Pediatric Extended Care Center Services (continued)**

###### (d) Providers and Provider Qualifications: (continued)

###### **(6) Psychologist**

Psychologist Qualifications: Each Psychologist must have a valid Psychologist license in accordance with state statute with no disciplinary action.

###### **(7) Direct Care Staff**

Direct Care Staff Qualifications. Each direct care staff member must:

- (A) Be 18 years of age or older;
- (B) Hold a high school diploma or a general equivalency degree;
- (C) Meet at least one of the following:
  - (i) one year of experience employed in a health care setting providing direct care to minors who are medically or technologically dependent;
  - (ii) two years of experience employed in a health care, childcare, or school setting providing direct care to minors who are medically or technologically dependent;
  - (iii) two years of experience employed in a health care setting providing direct care to adults; or
  - (iv) sufficient skills to meet the competency and training requirements described in subsection (b) of this section; and
- (D) Maintain current certification in Pediatric Cardio Pulmonary Resuscitation and basic First Aid.
- (E) Meet all requirements as specified in state PPECC licensure regulations.
- (F) Direct care staff are supervised by a licensed RN.

###### **(8) Dietician**

Dietician Qualifications: A dietician must:

- (A) Hold a valid license to use the title of licensed dietitian
- (B) Meet all requirements as specified in state PPECC licensure regulations.

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Date Effective 11-01-2016  
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#### **4b. EPSDT Services (continued)**

##### **Prescribed Pediatric Extended Care Center Services (continued)**

###### (e) Limitations:

- (1) Services must not exceed 12 hours per day per recipient.
- (2) Services must be a one-to-one replacement of private duty nursing hours, unless additional hours are medically necessary. While PPECC services do not supplant a recipient's right to private duty nursing services, PPECC services may not be performed or billed during the same hours that a recipient receives private duty nursing services or personal care services from a non-PPECC provider in another setting, such as the home.
- (3) Medicaid will not reimburse a PPECC for services that are the responsibility of a local school district.

###### (f) Excluded Benefits:

- (1) Baby food or formula
- (2) Durable medical equipment (DME) and medical supplies provided to the recipient by Medicaid's DME and medical supply services
- (3) Services that are mainly respite care or child care, or that do not directly relate to the recipient's medical needs or disability
- (4) Services that are primarily the responsibility of a local school district
- (5) Individualized comprehensive case management beyond required service coordination
- (6) Services covered separately by Texas Medicaid, such as:
  - (A) Speech, occupational, physical, respiratory care practitioner services, and early childhood intervention services.
  - (B) Durable medical equipment (DME), medical supplies, nutritional products provided to the recipient by Medicaid's DME and medical supply service providers.
  - (C) Private duty nursing, skilled nursing, and home health aide services provided in the home setting. To prevent duplication, these services may be provided before or after PPECC services on a given day when medically necessary, but not at the same time as PPECC services.

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#### **4b. EPSDT Services (continued)**

##### **Prescribed Pediatric Extended Care Center Services**

###### (a) Definition:

Prescribed Pediatric Extended Care Center (PPECC) services are an array of physician-prescribed services designed to meet the medical, social and developmental needs of a child who is medically or technologically dependent and requires ongoing nursing services and other therapeutic interventions. Services are provided under the supervision of a registered nurse licensed by the state of Texas. These services are performed in a Medicaid-enrolled PPECC, which is a community-based non-residential provider licensed by the state, and compliant with state licensing standards. A PPECC serves at least four Medicaid-eligible recipients who are not related by blood, marriage, or adoption.

###### (b) Eligibility:

This service is available to individuals under the age of 21 based on a determination of medical necessity.

The utilization of PPECC services does not supplant the recipient's choice of private duty nursing, when medically necessary.

###### (c) Services:

Services are provided in a Medicaid-enrolled PPECC, licensed by the Texas Department of Aging and Disability Services and compliant with state licensing standards. PPECC services require prior authorization.

PPECC services include the development, implementation, and monitoring of a comprehensive plan of care (POC), developed in conjunction with the Medicaid recipient's responsible adult, that specifies the recipient's medical, nursing, psychosocial, therapeutic, dietary, functional, and developmental service needs, as well as the caregiver training needs of the recipient's responsible adult(s).

A PPECC must provide the following basic services, prescribed by a physician, in accordance with a recipient's assessment and comprehensive plan of care:

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#### 4b. EPSDT Services (continued)

##### Prescribed Pediatric Extended Care Center Services (continued)

###### (c) Services: (continued)

- (1) Nursing Services—Nursing services provided in accordance with 42 CFR § 440.130(d).

Nursing services must, under state law, be provided by a registered nurse (RN) or licensed vocational nurse (LVN). The provision of nursing services must comply with state licensure requirements related to nursing services and to PPECCs. Direct care staff may perform certain nursing services under the supervision of a RN, as permitted by state regulation related to nurse delegation.

- (2) Functional developmental services—Provided in accordance with 42 CFR § 440.130(d). Functional developmental services assist a recipient in maintaining or restoring functional abilities, such as adaptive, motor, and speech. For example, a recipient may receive daily reinforcement through:

- Guided practice in using a utensil during lunch or snack time;
- Guided practice in swallowing;
- Guided use of speech to make a request; or
- Guided physical activities or play that help to restore a motor function.

(B) Functional developmental services are provided by an RN or LVN licensed under state authority or a direct care staff person under the supervision of an RN. Functional developmental services are based on the needs of the recipient, in accordance with the recipient's plan of care and physician order.

(B) Functional services respond to needs identified in a functional assessment. The functional assessment is part of the comprehensive assessment performed by a RN and includes the following:

- (i) measurable goals that maintain or restore independent functioning in daily activities and promote socialization;
- (ii) a description of a recipient's strengths and present performance level with respect to each goal, and;
- (iii) planning for specific areas identified as needing restoration.

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**4b. EPSDT Services (continued)**

**Prescribed Pediatric Extended Care Center Services (continued)**

(c) Services: (continued)

(3) Psychosocial services—Provided in accordance with 42 CFR § 440.130(d).

(A) Psychosocial services are behavioral and cognitive interventions to maintain or restore a recipient's psychosocial wellbeing that has been negatively impacted by medical or technological dependence or other psychosocial stressors. Psychosocial services respond to needs identified in a comprehensive assessment conducted by a RN. Examples of psychosocial services include:

(i) Guided practice to manage or reduce feelings of frustration, anxiety, depression, stress or fear, including:

(I) Using anger or stress management techniques, such as cueing a recipient to count to 10 before responding.

(II) Breathing exercises and other relaxation techniques.

(III) Assistance with breaking tasks into manageable components.

(ii) Redirection strategies to reduce verbal aggressiveness or hostility.

(iii) Providing supportive interventions and positive reinforcement to foster healthy social interactions and interpersonal behaviors.

(iv) Reinforcing age-appropriate assertiveness and decision-making.

(B) Psychosocial services are provided by a physician, RN, or psychologist licensed by the state, consistent with the recipient's plan of care and physician order. These services may also be rendered by an LVN or direct care staff person under the supervision of the physician, RN, or psychologist.

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**4b. EPSDT Services (continued)**

**Prescribed Pediatric Extended Care Center Services (continued)**

(c) Services: (continued)

(4) Nutritional Counseling—Provided in accordance with 42 CFR § 440.60.

PPECC services include nutritional counseling provided by a dietitian or RN licensed by the state, in accordance with state law governing scope of practice. These services may also be rendered by an LVN or direct care staff person under the supervision of the dietitian or RN. Nutritional counseling includes advising and assisting a recipient or the recipient's responsible adult to ensure the recipient's appropriate nutritional intake.

(5) Responsible adult training and education to facilitate skill development relevant to a recipient's care are conducted by a physician (per 42 CFR §440.50), RN, or LVN (per 42 CFR §440.60). Direct care staff may perform these services under the supervision of a physician, RN, or LVN.

(6) Personal care services—Provided in accordance with 42 CFR § 440.167.

(A) Personal care services include support services provided to a recipient who meets the definition of medical necessity and requires assistance with activities of daily living (ADLs), instrumental activities of daily living (IADLs), and health-related functions because of a physical, cognitive, or behavioral limitation related to the recipient's disability or chronic health condition.

(B) Personal Care Services will be provided by direct care staff under supervision of the RN in accordance with state PPECC licensure requirements.

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Date Effective 11-01-2016  
Transmittal Number: TX 15-0032

**4b. EPSDT Services (continued)**

**Prescribed Pediatric Extended Care Center Services (continued)**

(c) Services: (continued)

(7) Transportation—Provided in accordance with 42 CFR § 440.170(a).

(A) Transportation services must be provided either by the PPECC or a contractor of the PPECC, when a recipient has a stated need or physician order. In accordance with state PPECC licensure requirements, the recipient must be accompanied by a PPECC nurse during transport to and from the PPECC.

(B) Transportation to and from the PPECC will be reimbursed on a per case basis (i.e., only when utilized) in accordance with 42 CFR § 440.170(a).

(C) Transportation services are subject to PPECC licensure requirements related to transportation, including the following:

(1) the driver must hold a valid and appropriate Texas driver's license, a copy of which the PPECC must keep on file;

(2) the vehicle used to transport a minor must have a current Texas safety inspection sticker and vehicle registration decal properly affixed to a vehicle;

(3) the PPECC must maintain commercial insurance for the operation of its vehicles, including coverage for minors and staff in the PPECC vehicle in the event of accident or injury; and

(4) the PPECC must maintain documentation of insurance.

(5) PPECC transportation is not provided by the transportation broker.

(6) Recipients have a choice of PPECC providers, who render the transportation services.

#### **4b. EPSDT Services (continued)**

##### **Prescribed Pediatric Extended Care Center Services (continued)**

###### (d) Providers and Provider Qualifications:

In accordance with state PPECC licensure standards, the following may render PPECC services:

(1) Medical Director

Medical Director Qualifications. A medical director must:

- (A) Hold a valid, unrestricted license to practice medicine or osteopathy in Texas in accordance with state statute; and
- (B) Be board-certified in a pediatric specialty recognized by the American Board of Medical Specialties or the American Osteopathic Association.
- (C) Meet all requirements as specified in state PPECC licensure regulations.

(2) Administrator and Alternate Administrator

Administrator and Alternate Administrator Qualifications. An administrator and alternate administrator must:

- (A) Have at least two years of experience in supervision and management in a pediatric health care setting; and
- (B) Meet one of the following criteria:
  - (i) be a physician licensed in Texas to practice medicine in accordance with state statute; or
  - (ii) be an RN with a master's or baccalaureate degree in nursing and be licensed in accordance with state statute with no disciplinary actions;
- (C) Must meet all requirements as specified in state PPECC licensure regulations.

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TN: 15-0032 Approval Date: 10-05-16  
Supersedes TN: None-New Page Effective Date: 11-01-16

State: Texas  
Date Received: 12-31-2015  
Date Approved: 10-05-2016  
Date Effective 11-1-2016  
Transmittal Number: TX 15-0032

**4b. EPSDT Services (continued)**

**Prescribed Pediatric Extended Care Center Services (continued)**

(d) Providers and Provider Qualifications: (continued)

(3) Nursing Director and Alternate Nursing Director

Nursing Director and Alternate Nursing Director Qualifications. A nursing director and alternate nursing director must:

- (A) Have a baccalaureate degree in nursing;
- (B) Have a valid RN license in accordance with state statute with no disciplinary action;
- (C) Have a valid certification in Cardio Pulmonary Resuscitation or Basic Cardiac Life Support; and
- (D) Have a minimum of two years of supervision and management in employment in a pediatric setting caring for a medically or technologically dependent minor or at least two years of supervision in one of the following specialty settings:
  - (i) pediatric intensive care;
  - (ii) neonatal intensive care;
  - (iii) pediatric emergency care;
  - (iv) center;
  - (v) home health or hospice agency specializing in pediatric care;
  - (vi) ambulatory surgical center specializing in pediatric care; or (G) have comparable pediatric unit experience in a hospital for two consecutive years before the person applies for the position of nursing director.
- (E) Meet all requirements as specified in state PPECC licensing regulations.

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TN: 15-0032 Approval Date: 10-05-16  
Supersedes TN: None- New Page Effective Date: 11-01-16

State: Texas  
Date Received: 12-31-2015  
Date Approved: 10-05-2016  
Date Effective 11-1-2016  
Transmittal Number: TX 15-0032

**4b. EPSDT Services (continued)**

**Prescribed Pediatric Extended Care Center Services (continued)**

(d) Providers and Provider Qualifications: (continued)

(4) Registered Nurse

Registered Nurse Qualifications. An RN must:

- (A) Hold a valid RN license in accordance with state statute with no disciplinary action;
- (B) Hold valid certifications in Cardio Pulmonary Resuscitation and Basic First Aid; and
- (C) Have at least one of the following:
  - (i) one year of pediatric specialty experience with emphasis on medically and technologically dependent minors, obtained within the previous five years; or
  - (ii) skills sufficient to meet the competency and training requirements described in subsection (b) of this section.
- (D) Meet all requirements as specified in PPECC state licensing regulations.

(5) Licensed Vocational Nurse

Licensed Vocational Nurse Qualifications: An LVN must:

- (A) Hold a valid LVN license with no disciplinary action;
- (B) Hold valid certifications in Cardio Pulmonary Resuscitation and Basic First Aid; and
- (C) Have at least one of the following:
  - (i) one year of pediatric specialty experience with emphasis on medically and technologically dependent minors obtained within the last consecutive five years; or
  - (ii) skills sufficient to meet the competency and training requirements described in subsection (b) of this section;
- (D) Meet all requirements as specified in state PPECC licensure regulations.

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TN: 15-0032 Approval Date: 10-05-16  
Supersedes TN: None- New Page Effective Date: 11-01-16

State: Texas  
Date Received: 12-31-2015  
Date Approved: 10-05-2016  
Date Effective 11-01-2016  
Transmittal Number: TX 15-0032

#### **4b. EPSDT Services (continued)**

##### **Prescribed Pediatric Extended Care Center Services (continued)**

###### (d) Providers and Provider Qualifications: (continued)

###### **(6) Psychologist**

Psychologist Qualifications: Each Psychologist must have a valid Psychologist license in accordance with state statute with no disciplinary action.

###### **(7) Direct Care Staff**

Direct Care Staff Qualifications. Each direct care staff member must:

- (A) Be 18 years of age or older;
- (B) Hold a high school diploma or a general equivalency degree;
- (C) Meet at least one of the following:
  - (i) one year of experience employed in a health care setting providing direct care to minors who are medically or technologically dependent;
  - (ii) two years of experience employed in a health care, childcare, or school setting providing direct care to minors who are medically or technologically dependent;
  - (iii) two years of experience employed in a health care setting providing direct care to adults; or
  - (iv) sufficient skills to meet the competency and training requirements described in subsection (b) of this section; and
- (D) Maintain current certification in Pediatric Cardio Pulmonary Resuscitation and basic First Aid.
- (E) Meet all requirements as specified in state PPECC licensure regulations.
- (F) Direct care staff are supervised by a licensed RN.

###### **(8) Dietician**

Dietician Qualifications: A dietician must:

- (A) Hold a valid license to use the title of licensed dietitian
- (B) Meet all requirements as specified in state PPECC licensure regulations.

#### **4b. EPSDT Services (continued)**

##### **Prescribed Pediatric Extended Care Center Services (continued)**

###### (e) Limitations:

- (1) Services must not exceed 12 hours per day per recipient.
- (2) Services must be a one-to-one replacement of private duty nursing hours, unless additional hours are medically necessary. While PPECC services do not supplant a recipient's right to private duty nursing services, PPECC services may not be performed or billed during the same hours that a recipient receives private duty nursing services or personal care services from a non-PPECC provider in another setting, such as the home.
- (3) Medicaid will not reimburse a PPECC for services that are the responsibility of a local school district.

###### (f) Excluded Benefits:

- (1) Baby food or formula
- (2) Durable medical equipment (DME) and medical supplies provided to the recipient by Medicaid's DME and medical supply services
- (3) Services that are mainly respite care or child care, or that do not directly relate to the recipient's medical needs or disability
- (4) Services that are primarily the responsibility of a local school district
- (5) Individualized comprehensive case management beyond required service coordination
- (6) Services covered separately by Texas Medicaid, such as:
  - (A) Speech, occupational, physical, respiratory care practitioner services, and early childhood intervention services.
  - (B) Durable medical equipment (DME), medical supplies, nutritional products provided to the recipient by Medicaid's DME and medical supply service providers.
  - (C) Private duty nursing, skilled nursing, and home health aide services provided in the home setting. To prevent duplication, these services may be provided before or after PPECC services on a given day when medically necessary, but not at the same time as PPECC services.

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TN: 15-0032 Approval Date: 10-05-16  
Supersedes TN: None- New Page Effective Date: 11-01-16

State: Texas  
Date Received: 12-31-2015  
Date Approved: 10-05-2016  
Date Effective 11-01-2016  
Transmittal Number: TX 15-0032



**28. Any other medical care (continued)**

a. Transportation (continued)

**Exclusion of Transportation by a Prescribed Pediatric Extended Care Center (PPECC)**

Transportation provided by a prescribed pediatric extended care center (PPECC) is not included as a non-emergency transportation service.

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TN: 15-0032 Approval Date: 10-05-16  
Supersedes TN: None- New Page Effective Date: 11-01-16

State: Texas  
Date Received: 12-31-2015  
Date Approved: 10-05-2016  
Date Effective 11-01-2016  
Transmittal Number: TX 15-0032

**28. Any other medical care (continued)**

a. Transportation (continued)

**Exclusion of Transportation by a Prescribed Pediatric Extended Care Center (PPECC)**

Transportation provided by a prescribed pediatric extended care center (PPECC) is not included as a non-emergency transportation service.

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TN: 15-0032 Approval Date: 10-05-16  
Supersedes TN: None-New Page Effective Date: 11-01-16

State: Texas  
Date Received: 12-31-2015  
Date Approved: 10-05-2016  
Date Effective 11-01-2016  
Transmittal Number: TX 15-0032

**Medical Transportation Program (continued)**

**Exclusion of Transportation by a Prescribed Pediatric Extended Care Center (PPECC)**

Transportation provided by a prescribed pediatric extended care center (PPECC) is not included as a non-emergency transportation service.

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TN: 15-0032 Approval Date: 10-05-16  
Supersedes TN: None-New Page Effective Date: 11-01-16

State: Texas  
Date Received: 12-31-2015  
Date Approved: 10-05-2016  
Date Effective 11-01-2016  
Transmittal Number: TX 15-0032

**32. Reimbursement Methodologies for Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Services - continued**

(20) Prescribed Pediatric Extended Care Center (PPECC) Services

- (a) Payment rates are developed based on payment rates determined for other programs that provide similar services. If there are no similar services or there is no prior provider experience in the state that can inform the development of payment rates, payment rates are determined using a pro forma analysis.
- (b) A pro forma analysis is defined as an item-by-item, or classes-of-items, calculation of the reasonable and necessary expenses for a provider to operate a PPECC while meeting all regulatory requirements. This analysis may involve assumptions about the salary of an administrator or program director, staff salaries, employee benefits and payroll taxes, building depreciation, mortgage interest, contracted client care expenses, and other building or administration expenses using inflated historical costs of delivering similar services, where appropriate data are available, and estimating the basic types and costs of products and services necessary to deliver services meeting federal and state requirements.
- (c) To determine the cost per unit of service, all the pro forma expenses are totaled and the total is divided by the estimated units of service.
- (d) Providers of a bundled service payment will maintain data to include information showing the provision, by practitioner, of the individual covered Medicaid service in the bundled payment, the extent of services the provider furnishes to beneficiaries, and the cost, by practitioner and type of service, of services delivered under the bundled rate.
- (e) PPECCs are limited to 12 hours a day and are further restricted by state licensure requirements to daytime hours; therefore, the rates will not include room and board.
- (f) The per diem PPECC transportation rate is a once per day round trip encounter rate. The rate is payable only on days the client utilizes PPECC transportation.
- (g) At no time can the total of the pro forma rate and the transportation per diem be more than 70 percent of the average private duty nursing rate under EPSDT.
- (h) HHSC reviews and, if necessary, updates all rates on a biannual basis.
- (i) If HHSC requires the provider to submit a cost report, the provider must follow the prescribed cost reporting guidelines.
- (j) All fee schedules are available through the agency's website as outlined on Attachment 4.19-B, page 1.
- (k) The agency's fee schedule will be revised with new fees for PPECC services effective November 1, 2016. The fee schedule will be posted on the agency website by November 15, 2016.

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Date Received: 12-31-2015  
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Transmittal Number: TX 15-0032