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State/Territory Name: Texas

State Plan Amendment (SPA) #: 16-0018

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) 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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August 2, 2016

Our Reference: SPA TX 16-0018

Mr. Gary Jessee  
State Medicaid/CHIP Director  
Health and Human Services Commission  
Post Office Box 13247  
Mail Code H100  
Austin, Texas 78711

Dear Mr. Jessee:

We have reviewed the State's proposed amendment to the Texas State Plan submitted under Transmittal Number 16-0018, dated June 30, 2016. This state plan amendment updates the physicians' and other practitioners' fee schedules.

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



If you have any questions please contact Suzette Seng of my staff. Ms. Seng may be reached at (214) 767-6478 or by Email at [Suzette.Seng@cms.hhs.gov](mailto:Suzette.Seng@cms.hhs.gov).

Sincerely,

A black rectangular box redacting the signature of Bill Brooks.

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:  <b>16-0018</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>May 1, 2016</b>	
5. TYPE OF PLAN MATERIAL ( <i>Circle One</i> ):			
<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 ( <i>Separate Transmittal for each amendment</i> )			
6. FEDERAL STATUTE/REGULATION CITATION:  <b>Social Security Act § 1902(a)(30); 42 C.F.R. § 447.201(b).</b>		7. FEDERAL BUDGET IMPACT: <b>SEE ATTACHMENT</b> a. FFY 2016 <b>\$237,853</b> b. FFY 2017 <b>\$586,216</b> c. FFY 2018 <b>\$612,419</b>	
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 ( <i>If Applicable</i> ):  <b>SEE ATTACHMENT TO BLOCKS 8 &amp; 9</b>	
10. SUBJECT OF AMENDMENT:  <b>The proposed amendment updates the physicians' and other practitioners' fee schedules.</b>			
11. GOVERNOR'S REVIEW ( <i>Check One</i> ):			
<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. OFFICIAL: 		16. RETURN TO:  <b>Gary Jessee State Medicaid Director Post Office Box 13247, MC: H-100 Austin, Texas 78711</b>	
13. TYPED NAME: <b>Gary Jessee</b>			
14. TITLE: <b>State Medicaid Director</b>			
15. DATE SUBMITTED: <b>June 30, 2016</b>			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED: <b>June 30, 2016</b>		18. DATE APPROVED: <b>August 2, 2016</b>	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL:  <b>May 1, 2016</b>		20. SIGNATURE OF REGIONAL OFFICIAL: for 	
21. TYPED NAME:  <b>Bill Brooks</b>		22. TITLE: <b>Associate Regional Administrator Division of Medicaid and Children's Health</b>	
23. REMARKS:			

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

**Transmittal Number 16-0018**

**Number of the  
Plan Section or Attachment**

Attachment 4.19-B  
Page 1a.3

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

Attachment 4.19-B  
Page 1a.3 (TN 16-0013)

State: Texas  
Date Received: June 30, 2016  
Date Approved: August 02, 2016  
Date Effective: May 01, 2016  
Transmittal Number: 16-0018

**1. Physicians and Other Practitioners (continued)**

- (f) When a procedure code is nationally discontinued, a replacement procedure code is nationally assigned for the discontinued procedure code, and Medicaid implements the replacement procedure code, a state plan amendment will not be submitted since the fee for the service has not changed.
- (g) To ensure access to care and prompt provider reimbursement, when a new national procedure code is assigned to a physician-administered drug or biological product, a preliminary reimbursement rate will be established by the Texas Health and Human Services Commission (HHSC) based on the published Medicare reimbursement rate; or the average wholesale price (AWP) in the absence of a Medicare reimbursement rate for the procedure code or the comparable code. In accordance with 42 CFR §447.205(b)(1), a public notice and state plan amendment will not be submitted for this preliminary reimbursement rate. This will allow the new procedure code to be payable as the reimbursement process is completed with a public notice published and a state plan amendment submitted.
- (h) All fee schedules are available through the agency's website, as outlined on Attachment 4.19-B, page 1.
- (i) The agency's fee schedule was revised with new fees for services provided by physicians and other practitioners effective May 1, 2016, and this fee schedule was posted on the agency's website on May 6, 2016.

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TN: 16-0018      Approval Date: 08/02/16  
Supersedes TN: 16-0013      Effective Date: 05/01/16

State: Texas  
Date Received: June 30, 2016  
Date Approved: August 02, 2016  
Date Effective: May 01, 2016  
Transmittal Number: 16-0018