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State/Territory Name: Texas

State Plan Amendment (SPA) #: 19-0034

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved Page



Regional Operations Group

November 13, 2019

Our Reference: TX SPA 19-0034

Ms. Stephanie Muth
State Medicaid Director
Texas Health and Human Services Commission
Mail Code: H100
Post Office Box 13247
Austin, TX 78711

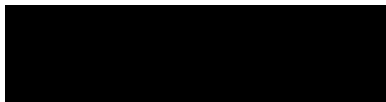
Dear Ms. Muth:

We have reviewed the State's proposed amendment to the Texas State Plan submitted under Transmittal Number 19-0034, dated September 30, 2019. This amendment adjusts payment rates for Community First Choice (CFC) services including, STAR+PLUS Personal Assistance Services CFC and STAR+PLUS Habilitation CFC; Personal Care Services (PCS) Attendant Care CFC; PCS Habilitation CFC; CFC Consumer Directed Services in support of increasing the attendant base wage to \$8.11 per hour. The amendment increases rates for Home and Community-based Services Supported Home Living and Deaf-Blind with Multiple Disabilities Residential Habilitation CFC program and CFC Financial Management Services Agencies. It also aligns service names and descriptions for improved transparency.

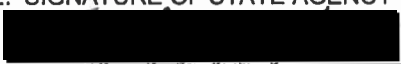

Based on the information submitted, we have approved the amendment for incorporation into the official Texas State Plan with an effective date change of September 1, 2019. A copy of the CMS-179, and approved plan pages are enclosed with this letter.

If you have any questions, please contact Ford Blunt of my staff. Mr. Blunt may be reached at (214) 767-6381 or by e-mail at Ford.Blunt@cms.hhs.gov.

Sincerely,



Bill Brooks
Director
Regional Operations Group

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES		1. TRANSMITTAL NUMBER: 19-0034	2. STATE: TEXAS
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) Community First Choice (CFC)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE: September 1, 2019	
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: Section 1915(k) of the Social Security Act; 42 CFR 441.500-590		7. FEDERAL BUDGET IMPACT: SEE ATTACHMENT a. FFY 2019 \$ 426,455 b. FFY 2020 \$5,346,633 c. FFY 2021 \$5,597,683	
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 amendments will adjust payment rates for Community First Choice (CFC) services including, STAR+PLUS Personal Assistance Services CFC and STAR+PLUS Habilitation CFC; Personal Care Services (PCS) Attendant Care CFC; PCS Habilitation CFC; CFC Consumer Directed Services in support of increasing the attendant base wage to \$8.11 per hour. The proposed amendment will increase rates for Deaf-Blind with Multiple Disabilities Residential Habilitation CFC program and CFC Financial Management Services Agencies with the intent to benefit direct care staff, including direct care staff wages. The proposed amendments will also align services names and descriptions in order to improve transparency.			
11. GOVERNOR'S REVIEW (Check One): <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. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Stephanie Muth State Medicaid Director Post Office Box 13247, MC: H-100 Austin, Texas 78711	
13. TYPED NAME: Stephanie Muth			
14. TITLE: State Medicaid Director			
15. DATE SUBMITTED: September 30, 2019			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: September 30, 2019		18. DATE APPROVED: November 13, 2019	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: September 1, 2019		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Bill Brooks		22. TITLE: Director Regional Operations Group	
23. REMARKS:			

Attachment to Blocks 8 & 9 of CMS Form 179

Transmittal Number 19-0034

**Number of the
Plan Section or Attachment**

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

Supplement 4 Attachment 4.19-B
Page 1
Supplement 4 Attachment 4.19-B
Page 2
Supplement 4 Attachment 4.19-B
Page 3

Supplement 4 Attachment 4.19-B
Page 1 (TN 15-030)
Supplement 4 Attachment 4.19-B
Page 2 (TN 15-030)
Supplement 4 Attachment 4.19-B
Page 3 (TN 15-030)

State: Texas
Date Received: 09-30-19
Date Approved: 11-13-19
Date Effective: 09-01-19
Transmittal Number: 19-0034

Community First Choice (CFC) Reimbursement Methodology

- (a) Except as otherwise noted in the plan, State-developed fee schedule rates are the same for both government and private providers of services provided under the CFC option. The agency's fee schedule is effective for services provided on or after June 1, 2015. All rates are published at:
<https://rad.hhs.texas.gov/> and
<http://public.tmhp.com/FeeSchedules/StaticFeeSchedule/FeeSchedules.aspx>.
- (b) State Plan CFC Services: Rates are established using pre-existing rates from other programs.
- (1) STAR+PLUS Personal Assistance Services (PAS) CFC and STAR+PLUS Habilitation CFC: Rates will be equal to a weighted average of rates established for Community Living Assistance and Support Services (CLASS) waiver habilitation services according to the reimbursement methodology for the CLASS waiver program and proxy rates for attendant services used in the calculation of the STAR+PLUS managed care capitation rates for the Home and Community-based Services (HCBS) risk group. The weighted average will include applicable attendant compensation rate enhancements. The fee schedule for STAR+PLUS PAS and STAR+PLUS Habilitation was revised and posted on the agency website on September 1, 2019.
- (A) Proxy rates are equal to rates established for attendant services under the Community Based Alternatives (CBA) waiver prior to its termination, updated for changes in allowable reported expenses and units of service.
- (B) Weighting factors assume that 30 percent of personal attendant services historically provided to existing recipients in the STAR+PLUS HCBS risk group and 100 percent of personal attendant services provided to newly eligible recipients under CFC will be for habilitation.
- (C) CLASS waiver habilitation rates and proxy rates for CBA waiver attendant services are current as of September 1, 2019.
- (2) CLASS Habilitation CFC: Rates will be equal to rates established for CLASS waiver habilitation services, including applicable attendant compensation rate enhancements, according to the reimbursement methodology for the CLASS waiver program. The fee schedule for CLASS waiver habilitation rates was revised and posted on the agency website on September 1, 2015.

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Supersedes TN: 15-030 Effective Date: 09-01-19

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Community First Choice (CFC) Reimbursement Methodology (continued)

- (3) Deaf-Blind with Multiple Disabilities (DBMD) Residential Habilitation CFC: Rates will be equal to rates established for DBMD waiver residential habilitation services, including applicable attendant compensation rate enhancements, according to the reimbursement methodology for the DBMD waiver program. The fee schedule for DBMD waiver residential habilitation rates was revised and posted on the agency website on September 1, 2019.
- (4) Home and Community-Based Services (HCS) Supported Home Living (SHL) CFC: Rates will be equal to rates established for HCS waiver SHL transportation services, including applicable attendant compensation rate enhancements, according to the reimbursement methodology for the HCS waiver program. The fee schedule for HCS waiver SHL transportation rates was revised and posted on the agency website on September 1, 2015.
- (5) Texas Home Living (TxHmL) Community Support Services (CSS) CFC: Rates will be equal to rates established for TxHmL waiver CSS transportation, including applicable attendant compensation rate enhancements, according to the reimbursement methodology for the TxHmL waiver program. The fee schedule for TxHmL waiver CSS transportation rates was revised and posted on the agency website on September 1, 2015.
- (6) Personal Care Services (PCS) Attendant Care CFC: Rates will be equal to rates established for Early and Periodic Screening, Diagnosis and Treatment (EPSDT) PCS attendant services according to Item 32 of Attachment 4.19-B of this State plan. The fee schedule for PCS attendant services was revised and posted on the agency website on September 1, 2019.
- (7) PCS Habilitation CFC: Rates will be equal to rates established for EPSDT PCS services for recipients with a behavioral health condition according to Item 32 of Attachment 4.19-B of this State plan. The fee schedule for PCS behavioral services rates was revised and posted on the agency website on September 1, 2019.
- (8) CFC Consumer Directed Services (CDS): The rates for CFC services included in the CDS option provide the funds available to the consumers participating in CDS. These rates are modeled and based on the rates paid to contracted agencies for providing services through the agency option. The fee schedules for CDS rates for all CFC services were revised and posted on the agency website on September 1, 2019.

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Community First Choice (CFC) Reimbursement Methodology(continued)

- (9) CFC Support Consultation Services: Rates are determined by modeling the cost of providing this service using staff costs and other statistics from the most recently audited cost reports from providers for staff whose required qualifications are similar to the qualifications required for individuals delivering this service. CFC support consultation services are only available to consumers participating in CDS and who receive CFC services that are included in the CDS option. The fee schedules for CFC support consultation services were revised and posted on the agency website on September 1, 2019.
- (10) CFC Financial Management Services Agencies (FMSA): The monthly payment to the FMSA is determined by modeling the estimated cost to carry out the responsibilities of the FMSA. CFC FMSA is only authorized for consumers participating in CDS and who receive all CDS services under CFC. The fee schedules for the FMSA payment were revised and posted on the agency website on September 1, 2019.
- (11) Emergency Response Services (ERS) CFC: The Health and Human Services Commission (HHSC) determines the payment rate through the analysis of financial and statistical data submitted by provider agencies on cost reports and, as deemed appropriate, a market survey analysis of emergency response equipment suppliers.
- (A) Allowable expenses are projected from the provider agency's reporting period to the rate period using the Personal Consumption Expenditures (PCE) chain-type price index. Depreciation and mortgage interest are not adjusted for inflationary increases.
- (B) Allowable reported expenses are combined into three cost areas: responder, program operations, and facility. To determine the projected cost per unit of service, a contracted provider's projected expenses in each cost area are divided by its total units of service for the reporting period.
- (C) The contracted providers' projected costs per unit of service are ranked from low to high in each cost area, with corresponding units of service.
- (D) The 80th percentile cost, weighted by units of service, is determined for each cost area. The payment rate is the sum of the 80th percentile costs of the three cost areas.
- (E) ERS rates are current as of June 1, 2015.

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