

## **Table of Contents**

**State/Territory Name: Texas**

**State Plan Amendment (SPA) : 22-0028**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

**DEPARTMENT OF HEALTH & HUMAN SERVICES**

Centers for Medicare & Medicaid Services  
Center for Medicaid & CHIP Services  
233 North Michigan Ave., Suite 600  
Chicago, Illinois 60601



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**Financial Management Group**

March 23, 2023

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

RE: Texas TN 22-0028

Dear Ms. Stephens:

CMS is issuing a technical correction to the approval package for TX-22-0028. TX-22-0028 introduced Page 1 of Supplement 5 to attachment 4.19-B as a NEW page, however a previously approved SPA already added Page 1 of Supplement 5 to attachment 4.19-B. This technical correction will make the page added by TN 22-0028 Page 1-a.

We are enclosing a copy of the approved CMS-179 Form and a copy of the revised state plan pages. This technical correction package maintains its original approval and effective dates.

If you have any additional questions or need further assistance, please contact Monica Neiman at: [Monica.Neiman@cms.hhs.gov](mailto:Monica.Neiman@cms.hhs.gov) or via phone at: 945-356-1231

Sincerely,

A solid black rectangular box used to redact the signature of Todd McMillion.

Todd McMillion  
Director  
Division of Reimbursement Review

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL  
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 2 0 0 2 8T X3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL  
SECURITY ACTTO: CENTER DIRECTOR  
CENTERS FOR MEDICAID & CHIP SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES4. PROPOSED EFFECTIVE DATE  
**September 1, 2022**5. FEDERAL STATUTE/REGULATION CITATION  
**Social Security Act § 1905(a)(24); 42 CFR § 440.167**6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)  
a. FFY 2022 \$ 6,038  
b. FFY 2023 \$ 69,435

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

**Supplement 4 to Attachment 4.19-B  
Page 3****Supplement 5 to Attachment 4.19-B  
Page **1-a****8. PAGE NUMBER OF THE SUPERSEDED PLAN  
SECTION OR ATTACHMENT (If Applicable)**Supplement 4 to Attachment 4.19-B  
Page 3 (TN: 19-0034)****New Page**

9. SUBJECT OF AMENDMENT

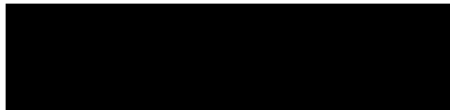
**The proposed amendment updates the rate methodology and payment rates for Financial Management Services Agencies (FMSA) and standardizes rates for all FMSA state plan services.**

10. GOVERNOR'S REVIEW (Check One)

- ☐ GOVERNOR'S OFFICE REPORTED NO COMMENT  
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED: Sent to Governor's Office this  
date. Comments, if any, will be forwarded upon receipt.

11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME  
**Stephanie Stephens**13. TITLE  
**State Medicaid Director**14. DATE SUBMITTED  
**September 28, 2022**

15. RETURN TO

**Stephanie Stephens  
State Medicaid Director  
Post Office Box 13247, MC: H-100  
Austin, Texas 78711****FOR CMS USE ONLY**16. DATE RECEIVED  
**September 28, 2022**17. DATE APPROVED  
**March 1, 2023****PLAN APPROVED - ONE COPY ATTACHED**18. EFFECTIVE DATE OF APPROVED MATERIAL  
**September 1, 2022**

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL  
**Todd McMillion**21. TITLE OF APPROVING OFFICIAL  
**Director Division of Reimbursement Review**

22. REMARKS

Pen and Ink change processed by CMS and approved by the state for the following 179 Form field:

**Box 7: To replace Supplement 5 to attachment 4.19-B from page 1 to page 1-a.**

**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) 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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TN: 22-0028      Approval Date: March 1, 2023

Supersedes TN: 19-0034      Effective Date: 09-01-2022

**Financial Services Management Agency (FMSA) Reimbursement Methodology**

- (a) The monthly payment to the FMSA is determined using provider cost data, collected on a biennial basis. The FMSA monthly rate equals a weighted average of allowable FMSA costs, adjusted from the cost reporting year to the perspective rate year. FMSA services are authorized only for consumers participating in Consumer Directed Services (CDS) and who receive CDS services. The fee schedule for FMSA payments was revised, effective September 1, 2022.

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TN: 22-0028 Approval Date: March 1, 2023

Supersedes TN: new page Effective Date: 09-01-2022