

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
1301 Young Street, Room 833
Dallas, Texas 75202



Division of Medicaid & Children's Health, Region VI

July 29, 2009

Our Reference: SPA TX 09-007

Mr. Chris Traylor
Associate Commissioner for Medicaid & CHIP
Health and Human Services Commission
Post Office Box 13247
Mail Code: H100
Austin, Texas 78711

Dear Mr. Traylor:

We have reviewed the State's proposed amendment to the Texas State Plan submitted under Transmittal Number 09-007. The amendment expands the psychological services benefit to cover services provided by Licensed Psychological Associates (LPAs). The amendment also updates the reimbursement methodology for physician and certain other practitioners to reflect that services provided by licensed psychologists are paid at 100% of the fee schedule and services provided by LPAs under the direct supervision of a licensed psychologist are paid at 70% of the fee schedule.

Based on the information submitted, we have approved the amendment for incorporation into the official Texas State Plan with an effective date change of August 31, 2009. A copy of the CMS-179 and approved plan pages are enclosed with this letter.

If you have any questions, please contact Ford J. Blunt at (214) 767-6381.


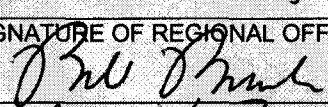
Sincerely,

/s/

Bill Brooks
Associate Regional Administrator

Enclosure

cc: Tamela Griffin, Policy Development Support

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER: 09-007	2. STATE: TEXAS
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE: August 31, 2009	
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: 42 CFR §440.60 Section 1905(a)(6) of the Social Security Act		7. FEDERAL BUDGET IMPACT: SEE ATTACHMENT a. FFY 2009 \$ 157,218 b. FFY 2010 \$1,864,078 c. FFY 2011 \$4,038,435	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: SEE ATTACHMENT TO BLOCKS 8 AND 9.		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): SEE ATTACHMENT TO BLOCKS 8 AND 9.	
10. SUBJECT OF AMENDMENT: The proposed amendment expands the psychological services benefit to cover services provided by Licensed Psychological Associates (LPAs), as defined in the Texas Occupations Code, Title 3, §501.002(4). LPAs may provide psychological services eligible for reimbursement by Medicaid when directly supervised by a qualified psychologist licensed by the state and enrolled in the Texas Medical Assistance program. The amendment also updates the reimbursement methodology for Physicians and Certain Other Practitioners to reflect that services provided by a licensed psychologist are paid at 100 percent of the fee schedule. Services provided by a LPA under the direct supervision of a licensed psychologist are paid at 70 percent of the fee schedule.			
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: Chris Traylor State Medicaid Director Post Office Box 13247 Austin, Texas 78711-3247	
13. TYPED NAME: Chris Traylor			
14. TITLE: State Medicaid Director			
15. DATE SUBMITTED: April 17, 2009 29 April, 2009			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 30 April, 2009		18. DATE APPROVED: 29 July, 2009	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 31 August, 2009		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Bill Brooks		22. TITLE: Associate Regional Administrator Div of Medicaid & Children's Health	
23. REMARKS:			

Attachment to Blocks 8 and 9 of CMS Form 179

Transmittal No. 09-007, Amendment No. 853

**Number of the
Plan Section or Attachment**

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

Appendix 1 to Attachment 3.1-A
Page 7c
Page 7i
Page 13e

Appendix 1 to Attachment 3.1-A
Page 7c (TN 06-005)
Page 7i (TN 06-005)
Page 13e (TN 05-009)

Appendix 1 to Attachment 3.1-B
Page 7c
Page 7i
Page 13e

Appendix 1 to Attachment 3.1-B
Page 7c (TN 06-005)
Page 7i (TN 06-005)
Page 13e (TN 05-009)

Attachment 4.19-B
Page 1a

Attachment 4.19-B
Page 1a (TN 09-004)

4b. EPSDT Services (Continued)

Counseling Services

Definition:

Counseling services outlined in this section of the state plan are available to Medicaid-eligible recipients under the age of 21 years, who are eligible for Early and Periodic Screening, Diagnosis, and Treatment (EPSDT), and for whom the services are medically necessary.

Services:

Medically necessary EPSDT services are health care, diagnostic services, treatment, and other measures described in section 1905(a) of Title XIX of the Social Security Act that are necessary to correct or ameliorate any defects and physical and mental illnesses and conditions. These services are intended for the exclusive benefit of the Medicaid eligible child and include but are not limited to:

1. Services provided to assist the child and/or parents in understanding the nature of the child's disability;
2. Services provided to assist the child and/or parents in understanding the special needs of the child;
3. Services provided to assist the child and/or parents in understanding the child's development;
4. Health and behavior interventions to identify the psychological, behavioral, emotional, cognitive, and social factors important to the prevention, treatment, or management of physical health problems.
5. Counseling services by providers identified in Appendix 1 to Attachment 3.1-A, Items 6d(5), 6d(6), 6d(7), and 6d(8) of the state plan; and
6. Assessing needs for specific counseling services.

Counseling services may be provided in an individual or group setting.

Providers:

Counseling services must be provided by a qualified counselor who meets the qualification requirements of 42 CFR § 440.60(a) and all other applicable state and federal law or regulation.

Services may be provided by a:

- Licensed Psychologist;
- Licensed Psychological Associate (LPA);
- Licensed Physician;
- Licensed Clinical Social Worker (LCSW);
- Licensed Marriage and Family Therapist (LMFT);
- Licensed Professional Counselor (LPC); or
- Licensed Specialist in School Psychology (LSSP) when the services are provided in a school setting.

STATE <u>Texas</u>	A
DATE REC'D <u>8-30-09</u>	
DATE APP'VD <u>7-29-09</u>	
DATE EFF <u>8-31-09</u>	
HCFR 179 <u>09-07</u>	

SUPERSEDES: TN- 06-05

TN No. 09-07

Approval Date 7-29-09

Effective Date 8-31-09

Supersedes TN No. 06-05

STATE	Texas	
DATE RECD	8-30-09	
DATE APP'D	7-29-09	A
DATE EFF	8-31-09	
HCFA 179	09-07	

4b. EPSDT Services (Continued)

Psychological Services

Definition:

Psychology services outlined in this section of the state plan are available to Medicaid-eligible recipients under the age of 21 years, who are eligible for Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) services, and for whom the services are medically necessary.

Services:

Medically necessary EPSDT services are health care, diagnostic services, treatment, and other measures described in section 1905(a) of Title XIX of the Social Security Act that are necessary to correct or ameliorate any defect and physical and mental illnesses and conditions. These services include but are not limited to:

1. Psychology services as identified in Appendix I to Attachment 3.1A, Item 6d(8), of the state plan;
2. Administering psychological tests and other assessment procedures, and interpreting testing and assessment results;
3. Obtaining, integrating and interpreting information about child behavior and conditions related to learning and functional needs, planning and managing a program of psychological services;
4. Evaluating a Medicaid recipient for the purpose of determining the needs for specific psychological, health or related services; and
5. Assessing the effectiveness of the delivered services on achieving the goals and objectives of the child's individual educational program (IEP).

Psychological services may be provided in an individual or group setting.

Providers:

Psychological services must be provided by a qualified psychologist who meets the requirements of, and in accordance with, 42 CFR § 440.60 and other applicable state and federal law or regulation.

Services may be provided by:

- A qualified psychologist licensed by the state;
- A qualified psychiatrist licensed by the state;
- Licensed Psychological Associate (LPA);
- A Licensed Specialist in School Psychology (LSSP) when the services are provided in a school setting.

Place of Service:

Psychological services may be delivered in the following places of service: office, home, outpatient setting, or other location, e.g. school.

SUPERSEDES: TN- 06-05

TN No. 09-07

Approval Date 7-29-09

Effective Date 8-31-09

Supersedes TN No. 06-05

6d(8) Psychologists' Services

Services provided by a licensed psychologist are available to Medicaid-eligible recipients. Psychological counseling and services provided by a licensed psychologist are covered if the services (1) are within the psychologist's scope of practice, as defined by state law; and (2) would be covered by the Texas Medical Assistance Program when they are provided by a licensed physician (M.D. or D.O.).

Psychologists' services must be provided by a licensed psychologist enrolled in and approved for participation in the Texas Medical Assistance Program. A psychologist is defined as a person who is licensed to practice as a psychologist in the state in which the service is performed.

Services performed by a Licensed Psychological Associate (LPA) are a benefit of the Texas Medical Assistance Program only when the services are provided within the LPA's scope of practice and under the direct supervision of a licensed psychologist.

A licensed psychologist who is employed by or remunerated by a physician, hospital, facility, or other provider may not bill the Texas Medical Assistance Program directly for psychologist's services if that billing would result in duplicate payment for the same services. If the services are covered and reimbursable by the program, payment may be made to the physician, hospital, or other provider (if approved for participation and who is enrolled in the Texas Medical Assistance Program) who employs or reimburses the licensed psychologist. The basis and amount of Medicaid reimbursement depends on the service actually provided, who provided the service, and the reimbursement methodology used by the Texas Medical Assistance Program as appropriate for the service and provider(s) involved.

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DATE REC'D	<u>8-30-09</u>	
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HQFA 179	<u>09-07</u>	

SUPERSEDES: TN 05-09

TN No. 09-07

Approval Date 7-29-09

Effective Date 8-31-09

Supersedes TN No. 05-09

4b. EPSDT Services (Continued)

Counseling Services

Definition:

Counseling services outlined in this section of the state plan are available to Medicaid-eligible recipients under the age of 21 years, who are eligible for Early and Periodic Screening, Diagnosis, and Treatment (EPSDT), and for whom the services are medically necessary.

Services:

Medically necessary EPSDT services are health care, diagnostic services, treatment, and other measures described in section 1905(a) of Title XIX of the Social Security Act that are necessary to correct or ameliorate any defects and physical and mental illnesses and conditions. These services are intended for the exclusive benefit of the Medicaid eligible child and include but are not limited to:

1. Services provided to assist the child and/or parents in understanding the nature of the child's disability;
2. Services provided to assist the child and/or parents in understanding the special needs of the child;
3. Services provided to assist the child and/or parents in understanding the child's development;
4. Health and behavior interventions to identify the psychological, behavioral, emotional, cognitive, and social factors important to the prevention, treatment, or management of physical health problems.
5. Counseling services by providers identified in Appendix 1 to Attachment 3.1-A, Items 6d(5), 6d(6), 6d(7), and 6d(8) of the state plan; and
6. Assessing needs for specific counseling services.

Counseling services may be provided in an individual or group setting.

Providers:

Counseling services must be provided by a qualified counselor who meets the qualification requirements of 42 CFR § 440.60(a) and all other applicable state and federal law or regulation.

Services may be provided by a:

- Licensed Psychologist;
- Licensed Psychological Associate (LPA);
- Licensed Physician;
- Licensed Clinical Social Worker (LCSW);
- Licensed Marriage and Family Therapist (LMFT);
- Licensed Professional Counselor (LPC); or
- Licensed Specialist in School Psychology (LSSP) when the services are provided in a school setting.

STATE	Texas	
DATE REC'D	8-30-09	
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DATE EFF	8-31-09	
HOTA 179	09-07	

SUPERSEDES TN 06-05

TN No. 09-07

Approval Date 7-29-09

Effective Date 8-31-09

Supersedes TN No. 06-05

STATE	Texas	
DATE REC'D	8-30-09	
DATE APP'VD	7-29-09	A
DATE EFF	8-31-09	
HOTA 179	09-07	

4b. EPSDT Services (Continued)

Psychological Services

Definition:

Psychology services outlined in this section of the state plan are available to Medicaid-eligible recipients under the age of 21 years, who are eligible for Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) services, and for whom the services are medically necessary.

Services:

Medically necessary EPSDT services are health care, diagnostic services, treatment, and other measures described in section 1905(a) of Title XIX of the Social Security Act that are necessary to correct or ameliorate any defect and physical and mental illnesses and conditions. These services include but are not limited to:

1. Psychology services as identified in Appendix I to Attachment 3.1A, Item 6d(8), of the state plan;
2. Administering psychological tests and other assessment procedures, and interpreting testing and assessment results;
3. Obtaining, integrating and interpreting information about child behavior and conditions related to learning and functional needs, planning and managing a program of psychological services;
4. Evaluating a Medicaid recipient for the purpose of determining the needs for specific psychological, health or related services; and
5. Assessing the effectiveness of the delivered services on achieving the goals and objectives of the child's individual educational program (IEP).

Psychological services may be provided in an individual or group setting.

Providers:

Psychological services must be provided by a qualified psychologist who meets the requirements of, and in accordance with, 42 CFR § 440.60 and other applicable state and federal law or regulation.

Services may be provided by:

- A qualified psychologist licensed by the state;
- A qualified psychiatrist licensed by the state;
- Licensed Psychological Associate (LPA);
- A Licensed Specialist in School Psychology (LSSP) when the services are provided in a school setting.

Place of Service:

Psychological services may be delivered in the following places of service: office, home, outpatient setting, or other location, e.g. school.

SUPERSEDES: TN 06-05

TN No. 09-07

Approval Date 7-29-09

Effective Date 8-31-09

Supersedes TN No. 06-05

6d(8) Psychologists' Services

Services provided by a licensed psychologist are available to Medicaid-eligible recipients. Psychological counseling and services provided by a licensed psychologist are covered if the services (1) are within the psychologist's scope of practice, as defined by state law; and (2) would be covered by the Texas Medical Assistance Program when they are provided by a licensed physician (M.D. or D.O.).

Psychologists' services must be provided by a licensed psychologist enrolled in and approved for participation in the Texas Medical Assistance Program. A psychologist is defined as a person who is licensed to practice as a psychologist in the state in which the service is performed.

Services performed by a Licensed Psychological Associate (LPA) are a benefit of the Texas Medical Assistance Program only when the services are provided within the LPA's scope of practice and under the direct supervision of a licensed psychologist.

A licensed psychologist who is employed by or remunerated by a physician, hospital, facility, or other provider may not bill the Texas Medical Assistance Program directly for psychologist's services if that billing would result in duplicate payment for the same services. If the services are covered and reimbursable by the program, payment may be made to the physician, hospital, or other provider (if approved for participation and who is enrolled in the Texas Medical Assistance Program) who employs or reimburses the licensed psychologist. The basis and amount of Medicaid reimbursement depends on the service actually provided, who provided the service, and the reimbursement methodology used by the Texas Medical Assistance Program as appropriate for the service and provider(s) involved.

SUPERSEDES: TN 05-09

STATE	<u>Texas</u>	A
DATE RECD	<u>8-30-09</u>	
DATE APPL'D	<u>7-29-09</u>	
DATE EFF	<u>8-31-09</u>	
HOTA 179	<u>09-07</u>	

TN No. 09-07

Approval Date 7-29-09

Effective Date 8-31-09

Supersedes TN No. 05-09

1. Physicians and Certain Other Practitioners

(a) Subject to the qualifications, limitations, and exclusions in the amount, duration and scope of benefits provided elsewhere in the State Plan, payment to eligible providers of laboratory services, including x-ray services, radiation therapy services, physical and occupational therapists' services, physician services (including anesthesia and physician-administered drugs), podiatry services, chiropractic services, optometric services, dentists' services, psychologists' services, certified respiratory care practitioners' services, and maternity clinics' services are reimbursed based on a uniform, statewide, prospective payment system.

(1) Services delivered by a psychologist are paid at 100 percent of the fee schedule.

(2) Services delivered by a licensed psychological associate (LPA) under the supervision of a psychologist are paid at 70 percent of the fee schedule.

(b) The fees for covered services provided by physicians and certain other practitioners are based upon the determination by the Texas Health and Human Services Commission (HHSC) of adequacy of access to health care services, as described in this section.

(1) There shall be no geographical or specialty reimbursement differential for individual services.

(2) The fees for individual services will be reviewed at least every two years and include:

(A) resource-based fees (RBFs) and

(B) access-based fees (ABFs).

The fee schedule is published quarterly.

STATE	<u>TEXAS</u>	A
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HCTA 179	<u>09-07</u>	

(3) Measures of adequacy of access to health care services include, but are not limited to, the following determinations:

(A) adequate participation in the Medicaid program by physicians and certain other practitioners; and/or

(B) the ability of Medicaid recipients to receive adequate health care services in an appropriate setting.

(c) Resource-based fees (RBFs) are based on actual resources required by an economically efficient provider to deliver each individual service and are calculated by multiplying the applicable relative value unit (RVU) times a conversion factor.

TN No. 09-07

Approval Date 7-29-09

Effective Date 8-31-09

Supersedes TN No. 09-04

SUPERSEDES: TN 09-04