

**TEXAS HEALTH AND HUMAN SERVICES
COMMISSION
RATE ANALYSIS DEPARTMENT**

**Proposed Medicaid Payment Rates for Medicaid Fee
Reviews:**

- (1) Type of Service (TOS) 1 (Medical Services), 2 (Surgery), TOS I (Professional Component), and TOS T (Technical Component) which includes: complex cytometrograms, vestibular tests, rotational testing, heart catheterization, angiography, cardiac recording and pacing, electric physiologic evaluations, and evaluation of cardiovascular function with tilt table.**
- (2) Nonclinical Laboratory Services,**
- (3) Physician-Administered Drugs,**
- (4) Temporary National Procedure Codes (S Codes) which includes: ophthalmological exams including refraction, physical or manipulative therapy for maintenance, and nutritional counseling/dietitian visit),**
- (5) Clinical Laboratory Services (NonDSHS Providers)**
- (6) Clinical Laboratory Services (DSHS) and,**
- (7) Access to Care Cardiology Review**

Payment rates are proposed to be effective April 1, 2011

SUMMARY OF PROPOSED MEDICAID PAYMENT RATES

Effective April 1, 2011

Included in this document is information relating to the proposed Medicaid payment rates for Medicaid Fee Reviews: (1) TOS 1-2-I-T, (2) Nonclinical Laboratory Services, (3) Physician-Administered Drugs, (4) Temporary National Procedure Codes (S Codes), (5) Clinical Laboratory Services (NonDSHS Providers), (6) Clinical Laboratory Services (DSHS), and (7) Access to Care Cardiology Review that are proposed to be effective April 1, 2011.

The Health and Human Services Commission (HHSC) is responsible for the reimbursement determination functions for the Texas Medicaid Program. The proposed rates were calculated in accordance with the reimbursement methodology rules in Title 1 of the Texas Administrative Code (1 TAC):

- §355.8021, which addresses the reimbursement methodology for durable medical equipment and expendable supplies in home health services;
- §355.8081, which addresses payments for laboratory and x-ray services, radiation therapy, physical therapists' services, physician services, podiatry services, chiropractic services, optometric services, ambulance services, dentists' services, psychologists' services, licensed psychological associates' services, maternity clinic services, and tuberculosis clinic services;
- §355.8085, which addresses the reimbursement methodology for physicians and certain other practitioners;
- §355.8441, which addresses the reimbursement methodology for durable medical equipment and expendable supplies in Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Program (known in Texas as Texas Health Steps); and
- §355.8610, which addresses Reimbursement for Clinical Laboratory Services.

Reimbursements paid to providers for the procedure codes included in these rate actions are to be reduced by two percent. A one percent reimbursement reduction was implemented for services provided on and after September 1, 2010, in compliance with a plan approved in response to the January 15, 2010, letter from the Governor, Lieutenant Governor, and Speaker regarding the revision to the Spending Reduction Plan for the 2010-2011 Biennium submitted by HHSC. An additional one percent reimbursement reduction, for a total of a two percent reduction, began February 1, 2011, in response to the December 6, 2010, letter from the Governor, Lieutenant Governor, and Speaker.

HHSC will conduct a public hearing to receive comments regarding the proposed Medicaid payment rates on February 15, 2011, at 1:30 p.m. in the Lone Star Conference Room in Building H of the Braker Center, at 11209 Metric Boulevard, Austin, TX 78758-4021, with entrance through Security at the front of the building facing Metric Boulevard. HHSC will

consider concerns expressed at the hearing prior to final rate approval. This public hearing is held in compliance with the provisions of Human Resources Code §32.0282 and 1 TAC §355.105(g), which require a public hearing on proposed payment rates.

PROPOSED RATES

Proposed payment rates are listed in the attachments below.

Attachment 1 – TOS 1-2-I-T

Attachment 2 – Nonclinical Laboratory

Attachment 3 – Physician-Administered Drugs

Attachment 4 – Temporary National Procedure Codes (S Codes)

Attachment 5 – Clinical Laboratory (NonDSHS Providers)

Attachment 6 – Clinical Laboratory (DSHS)

Attachment 7 – Access to Care Cardiology

Should you have any questions regarding the information in this document, please contact:

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