

**DEPARTMENT OF HEALTH & HUMAN SERVICES**  
Centers for Medicare & Medicaid Services  
601 E. 12th St., Room 355  
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

---

May 16, 2023

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

**Re: Texas State Plan Amendment (SPA) 22-0021**

Dear Ms. Stephens:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) under transmittal number (TN) TX SPA 22-0021. This SPA was submitted on October 17, 2022. The purpose of the amendment is to change the minimum qualification for service coordinators to match proposed revisions recommended to state rule. HHSC is amending the minimum hiring qualifications for service coordinators (also referred to as case managers in the state plan) that work for LIDDAs throughout Texas. Additionally, the amendment will permit comprehensive encounters completed by targeted case managers for individuals with intellectual disabilities to be completed via synchronous audio-only or synchronous audio-visual technology.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations. This letter is to inform you that TX Medicaid SPA 22-0021 was approved on May 16, 2023, with an effective date of November 1, 2022.

If you have any questions, please contact Ford Blunt at 214-767-6381 or via email at [Ford.Blunt@cms.hhs.gov](mailto:Ford.Blunt@cms.hhs.gov).

Sincerely,

James G. Scott, Director  
Division of Program Operations

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

1. TRANSMITTAL NUMBER

2 2 0 0 2 1

2. STATE

T X

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT

TO: CENTER DIRECTOR  
CENTERS FOR MEDICAID & CHIP SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

**November 1, 2022**

5. FEDERAL STATUTE/REGULATION CITATION  
**Title XIX Social Security Act §1905(a)(19); Title XIX Social Security Act §1915(g); 42 CFR § 440.169**

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2022 \$ 0  
b. FFY 2023 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

**SEE ATTACHMENT TO BLOCKS 7 & 8**

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

**SEE ATTACHMENT TO BLOCKS 7 & 8**

9. SUBJECT OF AMENDMENT

The purpose of the amendment is to change the minimum qualification for service coordinators to match proposed revisions recommended to state rule. HHSC is amending the minimum hiring qualifications for service coordinators (also referred to as case managers in the state plan) that work for LIDDAs throughout Texas. Additionally, in accordance with House Bill (H.B.) 4 (87<sup>th</sup> Legislature, Regular Session, 2021), the amendment will permit comprehensive encounters completed by targeted case managers for individuals with intellectual disabilities to be completed via synchronous audio-only or synchronous audio-visual technology.

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

15. RETURN TO

**Stephanie Stephens  
State Medicaid Director  
Post Office Box 13247, MC: H-100  
Austin, Texas 78711**

12. TYPED NAME

**Stephanie Stephens**

13. TITLE

**State Medicaid Director**

14. DATE SUBMITTED

**October 17, 2022**

**FOR CMS USE ONLY**

16. DATE RECEIVED

**October 17, 2022**

17. DATE APPROVED

**May 16, 2023**

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL

**November 1, 2022**

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

**James G. Scott**

21. TITLE OF APPROVING OFFICIAL

**Director, Division of Program Operations**

22. REMARKS

**Attachment to Blocks 7 & 8 of CMS Form 179**

**Transmittal Number 22-0021**

**Number of the  
Plan Section or Attachment**

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

Supplement 1 to Attachment 3.1-A  
page 1B.3  
page 1B.3a  
page 1B.4

Supplement 1 to Attachment 3.1-A  
Page 1B.3 (TN 07-43)  
New Page  
Page 1B.4 (TN 07-43)

Supplement 1 to Attachment 3.1-B  
page 1B.3  
page 1B.3a  
page 1B.4

Supplement 1 to Attachment 3.1-B  
Page 1B.3 (TN 07-43)  
New Page  
Page 1B.4 (TN 07-43)

Attachment 4.19-B  
Page 15

Attachment 4.19-B  
Page 15 (TN 10-55)

**(Case Management Services for Persons with Mental Retardation or Related Conditions or Pervasive Developmental Disability, Continued.)**

- iv) Monitoring and follow-up activities and contacts that are necessary to ensure the care plan is implemented and adequately addresses the individual's needs.
  - (1) Such activities may be with the individual, family members, providers, or other entities or individuals and conducted as frequently as necessary, and at least every 90 calendar days, to determine whether the following conditions are met:
    - (a) services are being furnished in accordance with the individual's care plan;
    - (b) services in the care plan are adequate; and
    - (c) the care plan and service arrangements are modified when the individual's needs or status change.
  - (2) Case management includes contacts with non-eligible individuals that are directly related to identifying the eligible individual's needs and care, for the purposes of helping the eligible individual access services; identifying needs and supports to assist the eligible individual in obtaining services; providing case managers with useful feedback, and alerting case managers to changes in the eligible individual's needs. (42 CFR 440.169(e)).
  - (3) Case management services are coordinated with and do not duplicate activities provided as part of institutional services and discharge planning activities
- 5) Qualifications of providers (42 CFR 441.18(a)(8)(v) and 42 CFR 441.18(b)):  
Specify provider qualifications that are reasonably related to the population being served and the case management services furnished:
  - a) A provider agency of case management must be an entity that is designated as the local intellectual and developmental disability authority (LIDDA). Only an employee of a provider agency may provide case management services.
  - b) Effective November 1, 2022, an employee of a provider agency who provides case management services must have:
    - i) a bachelor's or advanced degree from an accredited college or university;
    - ii) an associate degree in a social, behavioral, human service, or health-related field including, but not limited to, psychology, social work, medicine, nursing, rehabilitation, counseling, sociology, human development, gerontology, educational psychology, education, and criminal justice; or  
  
a high school diploma or a certificate recognized by the state as the equivalent of a high school diploma and two years of paid or unpaid experience with individuals with intellectual or developmental disabilities.

TN: 22-0021

Approval Date: 5-16-2023

Supersedes TN: 07-43

Effective Date: 11-01-2022

**(Case Management Services for Persons with Mental Retardation or Related Conditions or Pervasive Developmental Disability, Continued.)**

- c) Effective April 1, 1999 through November 1, 2022, an employee of a provider agency who provides case management services must have:
  - i) a bachelor's or advanced degree from an accredited college or university with a major in a social, behavioral, or human service field, including, but not limited to, psychology, social work, medicine, nursing, rehabilitation, counseling, sociology, human development, gerontology, educational psychology, education, and criminal justice; or
  - ii) a high school diploma or a certificate recognized by the state as the equivalent of a high school diploma; and
    - (1) two years of paid experience as a case manager in a state or federally funded Parent Case Management Program or have graduated from Partners in Policy Making; and
    - (2) personal experience as an immediate family member of an individual with mental retardation
- d) A person who was authorized by a provider agency to provide case management services to an individual with an intellectual disability or related condition or pervasive developmental disability prior to April 1, 1999, may provide case management services without meeting the minimum qualifications described in c) above.
- e) Until December 31, 2011, a provider agency may hire a person to provide case management services who does not meet the minimum qualifications described in c) above if the person was employed as a case manager in the Home and Community-based Services (HCS) waiver program for any period of time prior to June 1, 2010.
- f) Beginning January 1, 2012, a provider agency may hire a person to provide case management services who does not meet the minimum qualifications described in c) above if the person had been hired by another provider agency in accordance with d) above.
- g) Supervision of case managers (service coordinators) is provided by the provider agency. Supervisors are staff with considerable experience in the provision of service and supports to persons with intellectual disabilities. Supervisors are knowledgeable about local resources available to provide supports. Additionally, state rules require specific training for staff that supervise or oversee the provision of service coordination. Additionally, provider agencies are required to conduct quality assurance activities that review processes and outcomes of service coordination activities.

TN: 22-0021

Approval Date: 5-16-2023

Supersedes TN: New Page

Effective Date: 11-01-2022

**(Case Management Services for Persons with Mental Retardation or Related Conditions or Pervasive Developmental Disability, Continued.)**

6) Freedom of choice of provider agency (42 CFR 441.18(a)(1)):

The State assures that the provision of case management services will not restrict an individual's free choice of providers in violation of section 1902(a)(23) of the Act.

1. Eligible individuals will have free choice of any qualified Medicaid provider within the specified geographic area identified in this plan.
2. Eligible individuals will have free choice of any qualified Medicaid providers of other medical care under the plan.

Freedom of Choice Exception (§1915(g)(1) and 42 CFR 441.18(b)):

Target group consists of eligible individuals with developmental disabilities or with chronic mental illness. Providers are limited to qualified Medicaid providers of case management services capable of ensuring that individuals with developmental disabilities or with chronic mental illness receive needed services:

Section 1915(g)(1) of the Social Security Act is invoked to limit the provider agencies of case management services to each local intellectual and developmental disability authority (LIDDA) that is designated as such by the Executive Commissioner of the Texas Health and Human Services Commission.

Eligible individuals will have free choice of any qualified Medicaid providers of other medical care under the plan.

TN: 22-0021  
Supersedes TN: 07-43

Approval Date: 5-16-2023  
Effective Date: 11-01-2022

**(Case Management Services for Persons with Mental Retardation or Related Conditions or Pervasive Developmental Disability, Continued.)**

- iv) Monitoring and follow-up activities and contacts that are necessary to ensure the care plan is implemented and adequately addresses the individual's needs.
  - (1) Such activities may be with the individual, family members, providers, or other entities or individuals and conducted as frequently as necessary, and at least every 90 calendar days, to determine whether the following conditions are met:
    - (a) services are being furnished in accordance with the individual's care plan;
    - (b) services in the care plan are adequate; and
    - (c) the care plan and service arrangements are modified when the individual's needs or status change.
  - (2) Case management includes contacts with non-eligible individuals that are directly related to identifying the eligible individual's needs and care, for the purposes of helping the eligible individual access services; identifying needs and supports to assist the eligible individual in obtaining services; providing case managers with useful feedback, and alerting case managers to changes in the eligible individual's needs. (42 CFR 440.169(e)).
  - (3) Case management services are coordinated with and do not duplicate activities provided as part of institutional services and discharge planning activities
- 5) Qualifications of providers (42 CFR 441.18(a)(8)(v) and 42 CFR 441.18(b)):  
Specify provider qualifications that are reasonably related to the population being served and the case management services furnished:
  - a) A provider agency of case management must be an entity that is designated as the local intellectual and developmental disability authority (LIDDA). Only an employee of a provider agency may provide case management services.
  - b) Effective November 1, 2022, an employee of a provider agency who provides case management services must have:
    - i) a bachelor's or advanced degree from an accredited college or university;
    - ii) an associate degree in a social, behavioral, human service, or health-related field including, but not limited to, psychology, social work, medicine, nursing, rehabilitation, counseling, sociology, human development, gerontology, educational psychology, education, and criminal justice; or

a high school diploma or a certificate recognized by the state as the equivalent of a high school diploma and two years of paid or unpaid experience with individuals with intellectual or developmental disabilities.

TN: 22-0021

Approval Date: 5-16-2023

Supersedes TN: 07-43

Effective Date: 11-01-2022

**(Case Management Services for Persons with Mental Retardation or Related Conditions or Pervasive Developmental Disability, Continued.)**

- c) Effective April 1, 1999 through November 1, 2022, an employee of a provider agency who provides case management services must have:
  - i) a bachelor's or advanced degree from an accredited college or university with a major in a social, behavioral, or human service field, including, but not limited to, psychology, social work, medicine, nursing, rehabilitation, counseling, sociology, human development, gerontology, educational psychology, education, and criminal justice; or
  - ii) a high school diploma or a certificate recognized by the state as the equivalent of a high school diploma; and
    - (1) two years of paid experience as a case manager in a state or federally funded Parent Case Management Program or have graduated from Partners in Policy Making; and
    - (2) personal experience as an immediate family member of an individual with mental retardation
- d) A person who was authorized by a provider agency to provide case management services to an individual with an intellectual disability or related condition or pervasive developmental disability prior to April 1, 1999, may provide case management services without meeting the minimum qualifications described in c) above.
- e) Until December 31, 2011, a provider agency may hire a person to provide case management services who does not meet the minimum qualifications described in c) above if the person was employed as a case manager in the Home and Community-based Services (HCS) waiver program for any period of time prior to June 1, 2010.
- f) Beginning January 1, 2012, a provider agency may hire a person to provide case management services who does not meet the minimum qualifications described in c) above if the person had been hired by another provider agency in accordance with d) above.
- g) Supervision of case managers (service coordinators) is provided by the provider agency. Supervisors are staff with considerable experience in the provision of service and supports to persons with intellectual disabilities. Supervisors are knowledgeable about local resources available to provide supports. Additionally, state rules require specific training for staff that supervise or oversee the provision of service coordination. Additionally, provider agencies are required to conduct quality assurance activities that review processes and outcomes of service coordination activities.



**(Case Management Services for Persons with Mental Retardation or Related Conditions or Pervasive Developmental Disability, Continued.)**

6) Freedom of choice of provider agency (42 CFR 441.18(a)(1)):

The State assures that the provision of case management services will not restrict an individual's free choice of providers in violation of section 1902(a)(23) of the Act.

1. Eligible individuals will have free choice of any qualified Medicaid provider within the specified geographic area identified in this plan.
2. Eligible individuals will have free choice of any qualified Medicaid providers of other medical care under the plan.

Freedom of Choice Exception (§1915(g)(1) and 42 CFR 441.18(b)):

Target group consists of eligible individuals with developmental disabilities or with chronic mental illness. Providers are limited to qualified Medicaid providers of case management services capable of ensuring that individuals with developmental disabilities or with chronic mental illness receive needed services:

Section 1915(g)(1) of the Social Security Act is invoked to limit the provider agencies of case management services to each local intellectual and developmental disability authority (LIDDA) that is designated as such by the Executive Commissioner of the Texas Health and Human Services Commission.

Eligible individuals will have free choice of any qualified Medicaid providers of other medical care under the plan.

TN: 22-0021  
Supersedes TN: 07-43

Approval Date: 5-16-2023  
Effective Date: 11-01-2022

**22. Case Management for individuals with Mental Retardation or a Related Condition or Pervasive Developmental Disability**

(a) Two statewide encounter rates are established for a comprehensive encounter and a follow-up encounter. The statewide encounter rate is a prospective rate without adjustment for individual provider cost. The encounter unit of service is established as follows:

(1) **Comprehensive Encounter.** A comprehensive encounter is an in person, synchronous audio-only, or synchronous audio-visual technology contact with the client. This comprehensive encounter rate is based on an average time of 45 minutes per contact to provide for assessment, monitoring of progress towards outcomes, plan review, and/or plan revision. A comprehensive encounter is limited to one billable encounter per client per calendar month.

(2) **Follow-up Encounter.** A follow-up encounter is an in person, synchronous audio-only, or synchronous audio-visual technology contact which involves interface with the client or a collateral. This follow-up encounter rate is based on an average time of 15 minutes per contact. Activities on a follow-up encounter include follow-up activities related to the comprehensive encounter. The provider agency is allowed up to three follow-up encounters per calendar month for each comprehensive encounter that has occurred within the calendar month. They do not have to be provided to the client for whom the comprehensive encounter was provided.

(3) **Cap and Rollover.** A monthly cap will be established on the total number of follow-up encounters that can be billed by each provider agency during the calendar month. The monthly cap that the provider can bill is equal to three follow-up encounters for each comprehensive encounter delivered in the month. Any allowed follow-up encounters not billed during the calendar month will be rolled over to the following calendar month. The rollover of follow-up encounters will begin on September 1<sup>st</sup> and will end on July 31<sup>st</sup> with the final rollover into the month of August of each year.

Example:

Client A and Client B both had a comprehensive encounter in a calendar month. As a result, the agency is allowed and may bill up to six follow-up encounters for

TN: 22-0021 Approval Date: 5-16-2023

Supersedes TN: 10-55 Effective Date: 11-01-2022