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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



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 or via phone at: 945-356-1231

Sincerely,

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 8

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)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

**Stephanie
Stephens**

Digitally signed by
Stephanie Stephens
Date: 2022.09.28
15:22:52 -05'00'

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

September 28, 2022

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
Todd McMillion

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.

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.

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

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