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State/Territory Name: TX

State Plan Amendment (SPA) #: 24-0035

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
230 South Dearborn
Chicago, Illinois 60604



Financial Management Group

01/06/2025

Director: Emily Zalkovsky
State Medicaid/CHIP Director
Health and Human Services Commission
Mail Code: H100
Post Office Box 13247
Austin, Texas 78711

Dear Director Emily Zalkovsky,

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Texas State Plan Amendment (SPA) to Attachment 4.19-B TN: #24-0035, which was submitted to CMS on December 20, 2024. The proposed amendment updates the ambulatory surgical center fee schedule, effective December 1, 2024.

We reviewed your SPA submission for compliance with statutory requirements including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2), of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of December 1, 2024. We are enclosing the approved CMS-179 and a copy of the new state plan page.

If you have any additional questions or need further assistance, please contact Matthew Klein at 214-767-4625 or via email at matthew.klein@cms.hhs.gov

Sincerely,

A solid black rectangular box redacting the signature of Todd McMillion.

Todd McMillion
Director
Division of Reimbursement Review

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

1. TRANSMITTAL NUMBER
2 4 0 0 3 5

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
December 1, 2024

5. FEDERAL STATUTE/REGULATION CITATION
Social Security Act §1902(a)(30); 42 CFR §447.201(b).

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2025 \$ \$0
b. FFY 2026 \$ \$0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

**Attachment 4.19-B
Pages 7(g)**

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 PAGE NUMBER OF THE SUPERSEDED PLAN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

**Attachment 4.19-B
Pages 7(g) (TN 23-0022)**

9. SUBJECT OF AMENDMENT

The proposed amendment updates the ambulatory surgical center fee schedule.

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

[Redacted Signature]

15. RETURN TO

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

12. TYPED NAME

Ricardo Garcia

13. TITLE

**Deputy Executive Commissioner of Policy and Quality
(Signing on behalf of Emily Zalkovsky, State Medicaid Director)**

14. DATE SUBMITTED

December 20, 2024

FOR CMS USE ONLY

16. DATE RECEIVED
12/20/2024

17. DATE APPROVED
January 6, 2025

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
12/01/2024

19. SIGNATURE OF APPROVING OFFICIAL
[Redacted Signature]

20. TYPED NAME OF APPROVING OFFICIAL
Todd McMillion

21. TITLE OF APPROVING OFFICIAL
Director, Division of Reimbursement Review

22. REMARKS

16. Ambulatory Surgical Centers (ASCs) (Continued)

- (f) Example 2:
1. Billed charges = \$75.00
 2. Medicaid published fee = \$80.00
 3. Lesser of billed charges or Medicaid published fee = \$75.00, which becomes the allowed amount.
 4. Since the billed charges are not greater than the Medicaid fee plus the 5.2 percent high-volume provider payment add-on (i.e., \$80.00 + \$4.16 = \$84.16), no high-volume provider payment add-on is applied, resulting in the actual payment to the provider of \$75.00.
- (g) Example 3:
1. Billed charges = \$82.00
 2. Medicaid published fee = \$80.00
 3. Lesser of billed charges or Medicaid published fee = \$80.00, which becomes the allowed amount.
 4. Since the billed charges are not greater than the Medicaid fee plus the 5.2 percent high-volume provider payment add-on (i.e., \$80.00 + \$4.16 = \$84.16), only part of the high-volume provider payment add-on is applied (i.e., up to the billed charges) resulting in the actual payment to the provider of \$82.00.
- (h) Medicaid payments for ASC services do not exceed Medicare payments for these same ASC services.
- (i) The agency's fee schedule was revised with new fees effective December 1, 2024, and is effective for services provided on or after that date. The fee schedule will be posted on the agency's website by March 15, 2025.
- (j) All fee schedules are available through the agency's website as outlined on attachment 4.19-B, page 1.

TN: 24-0035 Approval Date: 01/06/2025

Supersedes TN: 23-0022 Effective Date: December 1, 2024