



Date February 20 2025

To: Medicaid Community Hospice, Deaf-Blind with Multiple Disabilities (DBMD), Home and Community-Based Services (HCS), and Texas Home Living (TxHmL) Providers

Subject: Information Letter No. 2025-03
Payment Rates for Medicaid Community Hospice, retroactive to October 1, 2024, and Employment Readiness in DBMD, HCS, and TxHmL Waiver Programs, effective January 1, 2025.

The Texas Health and Human Services Commission (HHSC) approved payment rates for Medicaid Community Hospice retroactive to October 1, 2024. HHSC also approved rates for Employment Readiness Services in the Deaf-Blind with Multiple Disabilities (DBMD), Home and Community-Based Services (HCS), and Texas Home Living (TxHmL) Waiver Programs, effective January 1, 2025. More information about the approved payment rates is available on the [HHSC Provider Finance Department webpage](#).

Payment Rates

The Medicaid Community Hospice program provides palliative care consisting of medical, social, and support services to terminally ill individuals when curative treatment is no longer elected. Medicaid Community Hospice payment rates for this program are calculated based on annual hospice rates established by the Centers for Medicare & Medicaid Services (CMS). Chapter 42 of the Code of Federal Regulations, Section 418.306(c) requires Medicaid hospice payment rates to be adjusted every federal fiscal year by the wage index data issued by CMS as published in the Federal Register.

CMS issued notification of the finalized Medicaid hospice payment rates in the Federal Register and published the federal fiscal year 2025 hospice wage indices on September 13, 2024. Payment rates for hospice care are authorized by Section 1814(i)(1)(C)(ii) of the Social Security Act, which outlines annual increases in payment rates for hospice care services.

The payment rate for Employment Readiness Services will support new employment readiness services under the Deaf, Blind with Multiple Disabilities (DBMD), Home and Community-Based Services (HCS) and Texas Home Living (TxHmL), and waiver programs, as per the 2024-25 General Appropriations Act (GAA), House Bill (H.B.) 4169, 88th Legislature, Regular Session, 2023 (Article II, H.B. 4169).

The approved payment rates can be accessed on [the Provider Finance Department, Long-term Services & Supports website](#).

Claims Submission

Providers should continue to bill using their normal billing process. Individual providers require no additional action.

Resources

Please contact the HHSC Provider Finance Long-term Services and Supports Customer Information Team at PFD-LTSS@hhs.texas.gov or (737) 867-7817 if you have questions regarding the rates or this letter.

Sincerely,

[signature on file]

Samuel West
Director of Provider Finance
for Long-term Services and Supports