

HEALTH AND HUMAN SERVICES COMMISSION

Public Notice: Texas State Plan for Medical Assistance Amendment

The Texas Health and Human Services Commission (HHSC) announces its intent to submit two amendments to the Texas State Plan for Medical Assistance under Title XIX of the Social Security Act. The amendments are proposed to be effective on October 1, 2021.

The proposed amendments will create a Hospital Augmented Reimbursement Program (HARP) for eligible hospitals. HHSC is creating this program to continue the financial transition for providers who have historically participated in the Delivery System Reform Incentive Payment program. HARP will provide additional funding to hospitals to help offset the cost hospitals incur while providing Medicaid services. The payment calculation will be based on a participating hospital's Medicare payment gap and/or Average Commercial Reimbursement (ACR) gap. The non-federal share of the payments will come from intergovernmental transfers and not general revenue.

The proposed amendments are estimated to result in an increase annual aggregate expenditure of \$1,377,025,526 for federal fiscal year (FFY) 2022, consisting of \$837,231,520 in federal funds and \$539,794,006 in non-federal funds. For FFY 2023, the estimated annual aggregate expenditure is \$1,377,025,526 consisting of \$837,231,520 in federal funds and \$539,794,006 in non-federal funds.

Public Hearing: A proposed rule was published on July 16, 2021, in the Texas Register. The HHSC conducted a public hearing on July 29, 2021, at 11:00 a.m. to receive public comments on the proposed rule for the HARP.

Information about the proposed rule can be found in the July 16, 2021 issue of the Texas Register on page 4248 at

<http://www.sos.state.tx.us/texreg/index.shtml>. The proposed rule is also posted on the HHSC website at [harp-tac-draft-proposed-rule.pdf \(texas.gov\)](#).

Copy of Proposed Amendment(s). Interested parties may obtain additional information and/or a free copy of the proposed amendments by contacting Holly Freed, State Plan Team Lead, by mail at the Health and Human Services Commission, P.O. Box 13247, Mail Code H-600, Austin, TX 78711; by telephone at (512) 428-1932; by facsimile at (512) 730-7472; or by e-mail at Medicaid_Chip_SPA_Inquiries@hhsc.state.tx.us. Copies of the proposed amendment will be available for review at the local county offices of HHSC,

(which were formerly the local offices of the the Texas Department of Aging and Disability Services).

Written Comments. Written comments and/or requests to review comments may be sent by U.S. mail, overnight mail, special delivery mail, hand delivery, fax, or email:

U.S. Mail

Texas Health and Human Services Commission

Attention: Provider Finance Department, Mail Code H-400

P.O. Box 149030

Austin, Texas 78714-9030

Overnight mail, special delivery mail, or hand delivery

Texas Health and Human Services Commission

Attention: Provider Finance Department, Mail Code H-400

North Austin Complex

4601 W. Guadalupe Street

Austin, Texas 78751

The phone number for package delivery: 512-730-7401

Fax

Attention: Provider Finance Department at 512-730-7475

Email

PFD_Hospitals@hhsc.state.tx.us