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State Plan Amendment

SPA 21-0014 (Ambulatory Surgical Centers) - Effective 03/01/2021

This file contains the following documents in order listed:

1. CMS Approval Letter
2. CMS Form 179
3. Approved SPA Page
May 3, 2021

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

RE:  Texas TN 21-0014

Dear Ms. Stephens:

We have reviewed the proposed Texas State Plan Amendment (SPA) to Attachment 4.19-B, TX#21-0014, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on March 31, 2021. This state plan amendment updates the ambulatory surgical center services fee schedule.

Based upon the information provided by the State, we have approved the amendment with an effective date of March 1, 2021. 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 Tamara Sampson at 214-767-6431 or Tamara.Sampson@cms.hhs.gov.

Sincerely,

Todd McMillion  
Director  
Division of Reimbursement Review

Enclosures
### Transmittal and Notice of Approval of State Plan Material

**FOR:** CENTERS FOR MEDICARE AND MEDICAID SERVICES

**TO:** REGIONAL ADMINISTRATOR

CENTERS FOR MEDICARE AND MEDICAID SERVICES

DEPARTMENT OF HEALTH AND HUMAN SERVICES

1. TRANSMITTAL NUMBER: 21-0014
2. STATE: TEXAS
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE: March 1, 2021

5. TYPE OF PLAN MATERIAL (Circle One):
   - NEW STATE PLAN
   - AMENDMENT TO BE CONSIDERED AS NEW PLAN
   - AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

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

7. FEDERAL BUDGET IMPACT:
   - a. FFY 2021 $837
   - b. FFY 2022 $1,234
   - c. FFY 2023 $1,186

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
   - Attachment 4.19-B Page 7 (g)

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):
   - Attachment 4.19-B Page 7 (g) (TN 11-0032)

10. SUBJECT OF AMENDMENT:
    - The proposed amendment updates an Ambulatory Surgical Centers reimbursement state plan page.

11. 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.

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:
    - Stephanie Stephens

14. TITLE:
    - State Medicaid Director

15. DATE SUBMITTED:
    - March 31, 2021

FOR REGIONAL OFFICE USE ONLY

16. RETURN TO:
    - Stephanie Stephens
    - State Medicaid Director
    - Post Office Box 13247, MC: H-100
    - Austin, Texas 78771

17. DATE RECEIVED:
    - March 31, 2021

18. DATE APPROVED:
    - May 3, 2021

19. EFFECTIVE DATE OF APPROVED MATERIAL:
    - March 1, 2021

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:
    - Todd McMillion

22. TITLE:
    - Director, Division Of Reimbursement Review

23. 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 March 1, 2021 and is effective for services provided on or after that date. The fee schedule was posted on the agency’s website on March 19, 2021.

(j) All fee schedules are available through the agency’s website as outlined on attachment 4.19-B, page 1.