

**TEXAS HEALTH AND HUMAN SERVICES COMMISSION  
RATE ANALYSIS DEPARTMENT**

**November 17, 2014**

**Proposed Payment Rates  
for  
Residential Care,  
Community Based Alternatives  
Assisted Living,  
and Personal Care 3**

Payment rates are proposed to be effective January 1, 2015

## **SUMMARY OF PROPOSED PAYMENT RATES**

### **Effective January 1, 2015**

The Health and Human Services Commission (HHSC) will conduct a public hearing at 2:00 p. m. on December 4, 2014, in the Public Hearing Room in the Brown-Heatly Building at 4900 North Lamar, Austin, Texas 78751, with entrance through security at the front of the building facing Lamar Boulevard. Public comments will be received on proposed payment rates to be effective January 1, 2015, for the Residential Care (RC) program, Assisted Living (AL) services under the Community Based Alternatives (CBA) program and CBA Personal Care 3 (PC 3) services. Although the CBA Waiver has ceased to exist, effective 09/01/14, and clients have been transitioned into the managed care model under STAR+PLUS, CBA rates continue to be used by actuaries, providers and managed care organizations for informational purposes. Accordingly, HHSC will continue to adopt payment rates and will conduct the required rate hearings. The RC program is operated by the Texas Department of Aging and Disability Services (DADS).

HHSC will consider concerns expressed at the hearing prior to final rate approval. This public hearing is held in compliance with the provisions Human Resources Code §32.0282 and the Texas Administrative Code (TAC) Title 1, §355.105(g), which require a public hearing on proposed payment rates.

### **PROPOSED RATES**

The proposed rates are outlined in the attachments to this packet. HHSC is proposing to decrease the facility cost area of the rates for the RC program, the CBA AL and CBA PC3 services by \$0.39 per day of service to offset the increase in Federal Supplemental Security Income (SSI) payments announced by the United States Social Security Administration on October 22, 2014, to be effective January 1, 2015.

### **METHODOLGY AND JUSTIFICATION**

HHSC rate methodologies for these three programs require that when SSI is increased, the per diem reimbursement be decreased by an amount equal to that increase. Because consumers in these programs are required to pay for their own room and board based on their SSI less their personal needs allowance, when SSI is increased, the consumer's contribution to his or her room and board is increased and the provider rate is decreased by the same amounts, resulting in no change in the total payment made to the provider (e.g., the DADS rate plus the consumer contribution). Rate methodologies can be found at 1 TAC §355.509(c)(2)(F)(iv) for the RC program, 1 TAC §355.503(c)(2)(B) for the CBA AL services and 1 TAC §355.503(c)(2)(D) for the CBA PC3 services.

Should you have any questions regarding the information in this document, please contact Luis A. Morales, Rate Analyst at (512)707-6084 or [luis.morales@hhsc.state.tx.us](mailto:luis.morales@hhsc.state.tx.us).