

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

**Notice of Proposed Adjustments to Fees, Rates or Charges  
for 1<sup>st</sup> and 2<sup>nd</sup> Quarter 2016 Healthcare Common Procedure  
Coding System (HCPCS) Updates**

**Adjustments are proposed to be effective  
January 1 2017**

## **SUMMARY OF PROPOSED ADJUSTMENTS**

**To Be Effective January 1, 2017**

Included in this document is information relating to the proposed adjustments to Medicaid payment rates for 1st and 2nd Quarter 2016 Healthcare Common Procedure Coding System (HCPCS) Updates. The Texas Health and Human Services Commission (HHSC) intends to submit an amendment to the Texas State Plan for Medical Assistance under Title XIX of the Social Security Act to update the fee schedules to reflect these proposed adjustments. The rates are proposed to be effective January 1, 2017.

### **Hearing**

The Health and Human Services Commission (HHSC) will conduct a public hearing to receive comments regarding the proposed adjustments to Medicaid rates detailed in this document on November 16, 2016, at 1:30 p.m. in the Public Hearing Room in the Brown-Heatly Building at 4900 North Lamar Boulevard, Austin, Texas 78751, with entrance through Security at the front of the building facing Lamar Boulevard. HHSC will consider all concerns expressed at the hearing prior to final rate approval. This public hearing will be held in compliance with the provisions of Human Resources Code §32.0282 which requires a public hearing on proposed payment rate adjustments. Should you have any questions regarding the information in this document, please contact:

Tim Villasana, Rate Analysis for Acute Care Services  
Texas Health and Human Services Commission  
(512) 707-6092 FAX: (512) 730-7475  
E-mail: [tim.villasana@hhsc.state.tx.us](mailto:tim.villasana@hhsc.state.tx.us)

The hearing will be recorded and available to the public for purchase.

### **Background**

HHSC is responsible for the reimbursement determination functions for the Texas Medicaid Program. Proposed rates are calculated utilizing established methodologies that conform to the Social Security Act and related federal regulations, the federally approved Texas Medicaid State Plan, all applicable state statutes and rules, and other requirements. HHSC reviews the Medicaid reimbursement rates for all acute care services every two years. These biennial reviews result in rates that are increased, decreased, or remain the same. The reviews are conducted to ensure that rates continue to be based on established rate methodologies.

## **Methodology**

The specific administrative rules that govern the establishment of the fees in this proposal include these rules in 1 TAC:

- §355.8085, which addresses the reimbursement methodology for physicians and other practitioners; and
- §355.8441, which addresses the reimbursement methodology for Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) services (known in Texas as Texas Health Steps).

## **Proposed Rate Adjustments**

The methodologies used to determine the proposed fee-for-service Medicaid rates are summarized below:

- Rate determination methodologies related to the reimbursement methodology for physicians and other practitioners are addressed in 1 TAC §355.8085.
- Access-based fees (ABFs) allow the state to reimburse for procedure codes not covered by Medicare or for which the Medicare fee is inadequate, or account for particularly difficult procedures, or encourage provider participation to ensure access to care.

Specific proposed payment rate adjustments are listed in the attachments outlined below:

HCPCS Att 1 – Q1  
HCPCS Att 2 – Q2

## **Written Comments**

Written comments regarding the proposed payment rate adjustments will be accepted in lieu of, or in addition to, oral testimony until 5 p.m. the day of the hearing. Written comments may be sent by U.S. mail to the Texas Health and Human Services Commission, Attention: Rate Analysis, Mail Code H-400, P.O. Box 149030, Austin, Texas 78714-9030; by fax to Rate Analysis at (512) 730-7475; or by e-mail to RADAcuteCare@hpsc.state.tx.us. In addition, written comments will be accepted by overnight mail or hand delivery to Texas Health and Human Services Commission, Attention: Rate Analysis, Mail Code H-400, Brown-Heatly Building, 4900 North Lamar, Austin, Texas 78751

Persons with disabilities who wished to attend the hearing and required auxiliary aids or

services were advised to contact Rate Analysis at (512) 730-7401 at least 72 hours in advance, so appropriate arrangements could be made.

HCPCS ATTACHMENT 1 - 1ST QUARTER (proposed to be effective January 1, 2017)

TOS *	Procedure Code	Modifier	Long Description	Age Range	Non-Facility (N)/ Facility (F)	Provider Type (PT) / Provider Specialty (PS)	CURRENT		PROPOSED	
							Current Medicaid Fee	Current Adjusted Medicaid Fee	Proposed Medicaid Fee	Proposed Adjusted Medicaid Fee
1	C9470		Injection, aripiprazole lauroxil, 1 mg	0-999	N/F		Not a Benefit	Not a Benefit	\$2.51	\$2.51
1	C9471		Hyaluronan or derivative, Hymovis, for intra-articular injection, 1 mg	0-999	N/F		Not a Benefit	Not a Benefit	\$17.00	\$17.00
1	C9137		Injection, Factor VIII (antihemophilic factor, recombinant) PEGylated, 1 I.U.	0-999	N/F		Not a Benefit	Not a Benefit	\$0.98	\$0.98
1	C9138		Injection, Factor VIII (antihemophilic factor, recombinant) (Nuwiq), 1 I.U.	0-999	N/F		Not a Benefit	Not a Benefit	\$0.98	\$0.98
1	C9473		Injection, mepolizumab, 1 mg	0-999	N/F		Not a Benefit	Not a Benefit	\$26.27	\$26.27
1	C9474		Injection, irinotecan liposome, 1 mg	0-999	N/F		Not a Benefit	Not a Benefit	\$39.55	\$39.55
1	C9475		Injection, necitumumab, 1 mg	0-999	N/F		Not a Benefit	Not a Benefit	\$5.28	\$5.28

*Type of Service (TOS)	
1	Medical Services

HCPCS ATTACHMENT 2 - 2ND QUARTER (proposed to be effective January 1, 2017)

TOS *	Procedure Code	Modifier	Long Description	Age Range	Non-Facility (N)/ Facility (F)	Provider Type (PT) / Provider Specialty (PS)	CURRENT		PROPOSED	
							Current Medicaid Fee	Current Adjusted Medicaid Fee	Proposed Medicaid Fee	Proposed Adjusted Medicaid Fee
1	C9476		Injection, daratumumab, 10 mg	0-999	N/F		Not a Benefit	Not a Benefit	\$46.43	\$46.43
1	C9477		Injection, elotuzumab, 1 mg	0-999	N/F		Not a Benefit	Not a Benefit	\$6.25	\$6.25
1	C9478		Injection, sebelipase alfa, 1 mg	0-999	N/F		Not a Benefit	Not a Benefit	\$895.00	\$895.00
1	C9480		Injection, trabectedin, 0.1 mg	0-999	N/F		Not a Benefit	Not a Benefit	\$324.00	\$324.00

*Type of Service (TOS)	
1	Medical Services