

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

**Notice of Proposed Adjustments to Fees, Rates or Charges
for 3rd Quarter 2016 Healthcare Common Procedure Coding
System (HCPCS) Updates**

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

SUMMARY OF PROPOSED ADJUSTMENTS

To Be Effective April 1, 2017

Included in this document is information relating to the proposed adjustments to Medicaid payment rates for 3rd 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 April 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 February 16, 2017, 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

HHSC will broadcast the public hearing; the broadcast can be accessed at <http://legacy-hhsc.hhsc.state.tx.us/news/webcasting.asp>. The broadcast will be archived and can be accessed on demand at the same website.

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 the rules in 1 TAC:

- §355.8061, which addresses reimbursement methodology for outpatient hospital services;
- §355.8085, which addresses the reimbursement methodology for physicians and other practitioners.

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 – J7202, J2786, C9482, C9483

HCPCS Att 2 – C9744 Radiology

HCPCS Att 3 – C9744 Rural Hospital Outpatient Diagnostic Radiology

HCPCS Att 4 – C9744 Hospital Outpatient Diagnostic Radiology

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 - PHYSICIAN ADMINISTERED DRUGS (Proposed to be effective April 1, 2017)

TOS*	Procedure Code	Modifier	Long Description	Age Range	Non-Facility (N)/ Facility (F)	CURRENT		PROPOSED		Percent Change from Current Medicaid Fee
						Current Medicaid Fee	Current Adjusted Medicaid Fee	Proposed Medicaid Fee	Proposed Adjusted Medicaid Fee	
1	J7202		Injection, Factor IX, albumin fusion protein (recombinant), Idelvion, 1 i.u.	0-999	N/F	\$4.56	\$4.56	\$4.34	\$4.34	-4.82%
1	J2786		Injection, reslizumab, 1 mg	0-999	N/F	Not a Benefit	Not a Benefit	\$8.52	\$8.52	100.00%
1	C9482		Injection, sotalol hydrochloride, 1 mg	0-999	N/F	\$10.12	\$10.12	\$9.61	\$9.61	-5.04%
1	C9483		Injection, atezolizumab, 10 mg	0-999	N/F	\$86.20	\$86.20	\$75.70	\$75.70	-12.18%

*Type of Service (TOS)	
1	Medical Services

HCPCS ATTACHMENT 2 - C9744 (Proposed to be effective April 1, 2017)

TOS*	Procedure Code	Modifier	Long Description	Age Range	Non-Facility (N)/ Facility (F)	CURRENT		PROPOSED		Percent Change from Current Medicaid Fee
						Current Medicaid Fee	Current Adjusted Medicaid Fee	Proposed Medicaid Fee	Proposed Adjusted Medicaid Fee	
4	C9744		Ultrasound, abdominal, with contrast	0-20	N/F	Not a Benefit	Not a Benefit	\$72.97	\$72.97	100.00%
4	C9744		Ultrasound, abdominal, with contrast	21-999	N/F	Not a Benefit	Not a Benefit	\$69.50	\$69.50	100.00%

*Type of Service (TOS)	
4	Surgery

HCPCS ATTACHMENT 3 - C9744 - RURAL HOSPITAL OUTPATIENT DIAGNOSTIC RADIOLOGY (proposed to be effective April 1, 2017)

			CURRENT	PROPOSED	
TOS*	Procedure Code	Long Description	Current Medicaid Fee	Proposed Medicaid Fee	Percent change from Current Medicaid Fee
4	C9744	Ultrasound, abdominal, with contrast	Not a Benefit	\$152.06	100.00%

*Type of Service (TOS)	
4	Radiology

HCPCS ATTACHMENT 4 - C9744 - HOSPITAL OUTPATIENT DIAGNOSTIC RADIOLOGY (proposed to be effective April 1, 201

TOS*	Procedure Code	Long Description	CURRENT	PROPOSED	Percent Change from Current Medicaid Fee
			Current Medicaid Fee	Proposed Medicaid Fee	
4	C9744	Ultrasound, abdominal, with contrast	Not a Benefit	\$86.88	100.00%

*Type of Service (TOS)	
4	Radiology