

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

**Proposed Medicaid Payments for Freestanding
Psychiatric Facilities**

**Payment reimbursements are proposed to be effective
September 1, 2010.**

SUMMARY OF PROPOSED MEDICAID REIMBURSEMENTS

Effective September 1, 2010

Included in this document is information relating to the proposed Medicaid reimbursement reduction for Non-state Freestanding Psychiatric Facilities. The Health and Human Services Commission (HHSC) is responsible for the reimbursement determination for the Texas Medicaid Program.

Hearing

HHSC will conduct a public hearing to receive comments regarding the proposed Medicaid payments on June 28, 2010, at 9:00 a.m. in the Lone Star Conference Room in Building H of the Braker Center, at 11209 Metric Boulevard, Austin, TX 78758-4021, with entrance through security at the front of the building facing Metric Boulevard. This public hearing is held in compliance with the provisions of Human Resources Code §32.0282 and 1 TAC §355.105(g), which require a public hearing on proposed payment rates.

Should you have any questions regarding the information in this document, please contact:

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Background

The Legislative Budget Board and the Governor's Office informed HHSC in a letter dated May 17, 2010, of their revision to the Spending Reduction Plan for the 2010-11 Biennium submitted by HHSC. The spending reduction plan was submitted in response to a letter dated January 15, 2010 from the Governor, Lieutenant Governor, and Speaker requesting a spending reduction proposal. As a result of this revision to the spending reduction plan the proposed reimbursement for all procedure codes submitted on and after September 1, 2010, will be equal to the reimbursement indicated on the agency's current fee schedule in effect at the time, less one percent. This proposal is effective September 1, 2010.

Methodology

The payment rates were calculated in accordance with the reimbursement methodology rule at Title 1 of the Texas Administrative Code (1 TAC) §355.8063, Texas Medicaid Reimbursement Methodology (TMRM) for Freestanding Psychiatric Facilities. The proposed reimbursement for Non-state freestanding psychiatric facilities effective September 1, 2010, will be equal to the payment that would have been made on August 31, 2010, less 1 percent. The proposed reimbursement will be adjusted in accordance

with 1 TAC §355.201, Establishment and Adjustment of Reimbursement Rates by the Health and Human Services Commission.