

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

**Proposed Medicaid Payment Rate for
Mobility Aids**

**Payment rates are proposed to be effective
July 1, 2013.**

SUMMARY OF PROPOSED MEDICAID PAYMENT RATES

Effective July 1, 2013

Included in this document is information relating to the proposed Medicaid payment rates for Mobility Aids. The rates are proposed to be effective July 1, 2013.

Hearing

HHSC will conduct a public hearing to receive comments regarding the proposed Medicaid rates detailed in this document on May 15, 2013, at 1:30 p.m. in the Brown Heatly Public Hearing Room, at 4900 North Lamar, Austin, TX 78751, with entrance through security at the front of the building facing Lamar Boulevard. HHSC will consider concerns expressed at the hearing prior to final rate approval. 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:

James Hollinger, Acute Care Rate Analysis
Texas Health and Human Services Commission
(512) 707-6069; FAX: (512) 491-1998
E-mail: james.hollinger@hhsc.state.tx.us

Background

The Health and Human Services Commission (HHSC) is responsible for the reimbursement determination 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 and clinical laboratory services are reviewed annually. These biennial reviews result in rates that are increased, decreased, or remain the same. The reviews are unrelated to rate reduction imposed by the legislature, but rather 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 this rule in Title 1 of the Texas Administrative Code (1 TAC):

- 355.8021, which addresses the reimbursement methodology for home health services and durable medical equipment, prosthetics, orthotics and supplies; and
- §355.8441, which addresses the reimbursement methodology for Early and

Periodic Screening, Diagnosis, and Treatment (EPSDT) Program (known in Texas as Texas Health Steps).

The reimbursement rates proposed reflect applicable reductions directed by the 2012-2013 General Appropriations Act, H.B. 1, 82nd Legislature, Regular Session. Detailed information related to specifics of the reductions can be found on the Medicaid fee schedules at <http://public.tmhpc.com/FeeSchedules/Default.aspx>.

Proposed Rates

The proposed rates are based on the following:

- (1) If Medicare reimburses a mobility aid, the maximum allowable fee is proposed to be equal to 75 percent of the applicable Medicare rate.
- (2) If Medicare does not reimburse for the procedure code or service, the maximum allowable fee is set using other sources, such as:
 - (A) Medicaid payment rates or other payer rates for the same or similar items;
 - (B) 82 percent of the manufacturer's suggested retail price (MSRP); and
 - (C) Cost confirmed on the manufacturer's invoice the provider submits to HHSC.

These procedure codes are being made a benefit to change the coding mechanism for wheelchairs and wheeled mobility systems to use industry standard coding. Medicare and other private payers use the "K" series HCPCS codes for the same items. The new benefits will replace existing wheelchair base codes (J/L-E0170, J/L-E1050, J/L-E1060, J/L-E1083, J/L-E1084, J/L-E1085, J/L-E1086, J/L-E1087, J/L-E1088, J/L-E1089, J/L-E1090, J/L-E1092, J/L-E1093, J/L-E1100, J/L-E1110, J/L-E1130, J/L-E1140, J/L-E1150, J/L-E1160, J/L-E1170, J/L-E1171, J/L-E1172, J/L-E1180, J/L-E1190, J/L-E1195, J/L-E1200, J/L-E1220, J/L-E1240, J/L-E1250, J/L-E1260, J/L-E1270, J/L-E1280, J/L-E1285, J/L-E1290, and J/L-E1295). The new benefits will also replace existing wheelchair accessory codes (J/L-E0945, J/L-E0970, J/L-E0994, J/L-E1296, and J/L-K0108). While the current wheelchair base codes will not be authorized when the new benefits implement, any prior authorizations of the current codes before implementation will still be payable for six months (until January 1, 2014).

See attachment for proposed payment rates.

Attachment – Mobility Aids