

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

**Proposed Payment Rate for Case Management for the Blind Children's
Vocational Discovery and Development Program**

Payment rate is proposed to be effective September 1, 2014

Proposed Payment Rate for Case Management for the Blind Children's Vocational Discovery and Development Program

Effective: September 1, 2014

Included in this document is information relating to the proposed provider payment rate for case management services for the Blind Children's Vocational Discovery and Development Program (BCVDDP) operated by the Department of Assistive and Rehabilitative Services (DARS) – Division of Blind Services (DBS).

Texas Health and Human Services Commission (HHSC) is responsible for the reimbursement determination function for these services. The proposed rate is calculated in accordance with the reimbursement methodology set forth in Texas' State Plan Amendment, which addresses the reimbursement methodology for case management services for children who are blind and visually impaired.

HHSC will conduct a public hearing to receive comments regarding the Medicaid proposed rate on November 12, 2014 at 1:30 p.m. in the Public Hearing Room at the Brown-Heatly Building, at 4900 North Lamar, Austin, TX 78751. 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:

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PROPOSED PROVIDER PAYMENT RATE FOR CASE MANAGEMENT FOR THE BLIND CHILDREN'S VOCATIONAL DISCOVERY AND DEVELOPMENT PROGRAM (BCVDDP)

Payment rate is proposed to be effective September 1, 2014.

BACKGROUND

The proposed payment rate is developed pursuant to the reimbursement methodology set forth by Texas' State Plan Amendment (SPA), relating to reimbursement rates for case management services for children who are blind and visually impaired.

The proposed payment rate is \$240.97 per client month of service and is an increase of \$120.48 or 200% from the current rate of \$120.49.

The payment rate calculation is based on financial and statistical data reported by the DARS-DBS for its 2013 state fiscal year (SFY). The data submitted was found to be reasonable and necessary, and in compliance with the standards set forth in the SPA approved for the program by the Centers for Medicare and Medicaid Services on April 1, 2013. The amendment requires DARS-DBS to submit an annual cost report that includes units of service, direct costs, programmatic indirect costs, and general and administrative costs including salaries, benefits, and non-labor costs. Programmatic indirect costs include salaries, benefits, and other costs of this case management program that are indirectly related to the delivery of case management services to clients. General and administrative overhead costs include the salaries, benefits, and other costs that, while not directly part of the case management services program, constitute costs that support the operations of the case management services program. The cost data referenced above is desk reviewed by HHSC Rate Analysis Department (HHSC RAD) staff.

This rate increase is due to a change in methodology used to calculate the BCVDDP payment rate. The new methodology uses cost data provided by DARS, as well as a time study percentage and units of service. Per DARS staff, current inflation factors were not used to project future expenditures. This rate increase will allow DARS to draw additional federal funds to cover their costs to operate this program.