

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

**Proposed Medicaid Payment Rates for Durable
Medical Equipment**

Payment rates are proposed to be effective February 1, 2011

SUMMARY OF PROPOSED MEDICAID PAYMENT RATES

Effective February 1, 2011

Included in this document is information relating to the proposed Medicaid payment rates that are proposed to be effective February 1, 2011.

The Health and Human Services Commission (HHSC) is responsible for the reimbursement determination functions for the Texas Medicaid Program. The proposed rates were calculated in accordance with the reimbursement methodology rules in Title 1 of the Texas Administrative Code (1 TAC):

- §355.8021, which addresses the reimbursement methodology for home health services, durable medical equipment and expendable medical supplies;
- §355.8441(3), relating to the reimbursement methodology for expendable medical supplies and DME under the Early and Periodic, Screening, Diagnosis, and Treatment (EPSDT) Program (known in Texas as THSteps).

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 2010-2011 Biennium submitted by HHSC in response to the January 15, 2010, letter from the Governor, Lieutenant Governor, and Speaker requesting a spending reduction proposal. The result of this revision is that the reimbursements for these services have been reduced by one percent on or after September 1, 2010.

In addition, the proposed rates will be reduced by one percent in accordance with direction from state leadership. 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 2010-2011 Biennium submitted by HHSC in response to the January 15, 2010, letter from the Governor, Lieutenant Governor, and Speaker requesting a spending reduction proposal. The result of this revision is that the reimbursements for these services provided on or after September 1, 2010, are reduced by one percent.

HHSC will conduct a public hearing to receive comments regarding the proposed Medicaid payment rates on November 9, 2010, at 1:30 p.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. 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.

PROPOSED RATES

Proposed payment rates are listed in the attachment below.

Attachment – Durable Medical Equipment

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

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