

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

**Proposed Medicaid Payment Rates for Durable
Medical Equipment – Orthotics and Prosthetics
(Cochlear Device, L8614)**

**Payment rates are proposed to be effective
April 1, 2015**

SUMMARY OF PROPOSED MEDICAID PAYMENT RATES

Effective April 1, 2015

Included in this document is information relating to the proposed Medicaid payment rates for Durable Medical Equipment – Orthotics and Prosthetics (Cochlear Device, L8614). The rates are proposed to be effective April 1, 2015.

Hearing

The Health and Human Services Commission (HHSC) will conduct a public hearing to receive comments regarding the proposed Medicaid rates detailed in this document on February 18, 2015, 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 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 the Texas Administrative Code, Title 1 (1 TAC), §355.201, which require a public hearing on proposed payment rates. Should you have any questions regarding the information in this document, please contact:

Jessica Makdsi, Acute Care Rate Analysis
Texas Health and Human Services Commission
(512) 707-6076; FAX: (512) 730-7475
E-mail: jessica.makdsi@hhsc.state.tx.us

HHSC also will broadcast the public hearing; the broadcast can be accessed at <http://www.hhsc.state.tx.us/news/meetings.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 these rules in 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) services (known in Texas as Texas Health Steps).

Proposed Rates

The methodologies used to determine the proposed fee-for-service Medicaid rates are summarized below:

- 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.

Proposed payment rates are listed in the attachment outlined below:

Attachment – DME – Orthotics & Prosthetics (Cochlear Device, L8614)

ATTACHMENT - DURABLE MEDICAL EQUIPMENT - ORTHOTICS & PROSTHETICS (proposed to be effective April 1, 2015)

TOS*	Procedure Code	Modifier	Long Description	Age Range	Non-Facility (N)/Facility (F)	Provider Type (PT) /Provider Specialty (PS)**	CURRENT		PROPOSED	
							Current Medicaid Fee	Current Adjusted Medicaid Fee	Proposed Medicaid Fee	Proposed Adjusted Medicaid Fee
9	L8614		cochlear device, includes all internal and external components	0-999	F	51,52	\$18,182.12	\$18,182.12	\$23,380.00	\$23,380.00
J	L8614		cochlear device, includes all internal and external components	0-999	N		\$18,182.12	\$18,182.12	\$23,380.00	\$23,380.00

*Type of Service (TOS)	
9	Other Durable Medical Equipment (DME)