

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

**Proposed Medicaid Payment Rates for non-state
operated Intermediate Care Facilities for Persons with
Mental Retardation**

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

SUMMARY OF PROPOSED MEDICAID PAYMENT RATES

Effective September 1, 2010

Included in this document is information relating to the proposed Medicaid payment rate reduction for non-state operated Intermediate Care Facilities for Persons with Mental Retardation (ICF/MR). 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 rates on June 30, 2010, at 3:00 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. 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 rates for non-state operated ICF/MRs are equal to the rates in effect on August 31, 2010, less 1.00 percent. The proposed effective date for these reductions is September 1, 2010.

Methodology

The proposed rates were determined in accordance with the rate setting methodologies codified at Texas Administrative Code (TAC) Title 1, Chapter 355, Subchapter A, §355.112, Attendant Compensation Rate Enhancement, and Subchapter D, §355.456, Rate Setting Methodology. These rates were subsequently adjusted in accordance with

1 TAC Chapter 355, Subchapter A, §355.101, Introduction, §355.109, Adjusting Reimbursement When New Legislation, Regulations or Economic Factors Affect Costs and 1 TAC Chapter 355, Subchapter B, §355.201, Establishment and Adjustment of Reimbursement Rates by the Health and Human Services Commission.

Proposed Rates and Minutes

See the attached tables for proposed rates and minutes.

Table 1 of the attachment shows the current ICF/MR payment rates by facility size, level of need and cost component.

Table 2 shows the proposed ICF/MR payment rates by facility size, level of need and cost component.