

**TEXAS HEALTH AND HUMAN SERVICES
COMMISSION
PROVIDER FINANCE DEPARTMENT**

**Notice of Proposed Medicaid Payment Rates for the
Ambulatory Surgical Center (ASC) Non-Surgical
Codes**

**Payment rates are proposed to be effective
December 1, 2024**

SUMMARY OF PROPOSED ADJUSTMENTS

To Be Effective December 1, 2024

Included in this document is information relating to the proposed Medicaid fee-for-service payment rates for the Special Review of ASC Non-Surgical Codes. The Texas Health and Human Services Commission (HHSC) intends to submit an amendment to the Texas State Plan for Medical Assistance under Title XIX of the Social Security Act to update the fee schedules to reflect these proposed rates. The rates are proposed to be effective December 1, 2024.

Hearing

The Texas Health and Human Services Commission (HHSC) will conduct a hearing to receive public comment on proposed Medicaid payment rates detailed in this document on December 4, 2024 at 9:00 AM. The hearing will be held in compliance with Texas Human Resources Code §32.0282, which requires public notice of and hearings on proposed Medicaid reimbursements. HHSC will broadcast the public hearing; the broadcast can be accessed at <https://hhs.texas.gov/about-hhs/communications-events/live-archived-meetings>. The broadcast will be archived and can be accessed on demand at the same website. This hearing will be conducted as an online event only.

Please register for HHSC Public Rate Hearing for Medicaid Reimbursement Rates on December 4, 2024 9:00 AM CST at:

<https://attendee.gotowebinar.com/register/7914903065335951960>

Webinar ID: 726-176-155

HHSC will consider all concerns expressed at the hearing prior to final rate approval. This public hearing will be held in compliance with the provisions of Human Resources Code §32.0282 which requires a public hearing on proposed payment rate adjustments. Should you have any questions regarding the information in this document, please contact:

Provider Finance Acute Care Services
Texas Health and Human Services Commission
E-mail: PFDAcuteCare@hhs.texas.gov

A recording of the webinar will be archived and can be accessed on demand at <https://hhs.texas.gov/about-hhs/communications-events/live-archived-meetings>.

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. 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 were calculated in accordance with Title 1 of the Texas Administrative Code (TAC):

§355.8085, which addresses the reimbursement methodology for physicians and other practitioners;

§355.8121, which addresses the reimbursement methodology for ambulatory surgical centers; and

§355.8441, which addresses reimbursement methodologies for Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) services (known in Texas as Texas Health Steps) and the THSteps Comprehensive Care Program (CCP).

Proposed Rate Adjustments

A summary of the methodologies used to determine the proposed fee-for-service Medicaid rates is listed below:

- Procedure codes and descriptions used in the Texas Medicaid Program are national standard code sets as required by federal laws; Healthcare Common Procedural Coding System (HCPCS) and Current Procedural Terminology (CPT).
- Resource-based fee (RBF) methodology uses relative value units (RVUs) established by Medicare times a conversion factor. Current conversion factors include \$28.0672 for most services provided to children 20 years of age and younger and \$26.7305 for services provided to adults 21 years of age and older. Fees for services provided to children and identified as

having access-to-care issues may be assigned a higher conversion factor, currently \$30.00.

- 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.
- ABFs may also be established based on the Medicare fee for a service that is not priced using RVUs. Physician-administered drug pricing methodologies are outlined in §355.8085.
- For services and items that are not covered by Medicare or for which the Medicare rate is insufficient, different approaches are used to develop fees based on available information. These alternate methods include, as applicable:
 - The median or mean of the Medicaid fees from 14 states (the 10 most populous and the 4 bordering Texas) or the median or mean of the states that cover the service
 - Regional Medicare pricing from Novitas or a percentage of the Medicare fee
 - The current Medicaid fee for a similar service (comparable code)
 - 82 percent of the manufacturer suggested retail price (MSRP) supplied by provider associations or manufacturers
 - 89.5 percent of the average wholesale price for enteral and parenteral products
 - Cost shown on a manufacturer's invoice submitted by the provider to HHSC
 - Medically comparable codes
 - Other data sources or methodologies when HHSC determines that the above are unreasonable or insufficient

Specific proposed payment rate adjustments are listed in the attachments outlined below:

Special Review Att B(1) – ASC Non-Surgical Codes

Written Comments

Written comments regarding the proposed payment rate adjustments will be accepted in lieu of, or in addition to, oral testimony until 5 p.m. the day of the hearing. Written comments may be sent by U.S. mail to the Texas Health and Human Services Commission, Attention: Provider Finance Department, Mail Code H-400, P.O. Box 149030, Austin, Texas 78714-9030; by fax to Provider Finance Department at (512) 730-7475; or by e-mail to

PFDAcuteCare@hhs.texas.gov. In addition, written comments will be accepted by overnight mail or hand delivery to Texas Health and Human Services Commission, Attention: Provider Finance Department, Mail Code H-400, North Austin Complex, 4601 W Guadalupe St, Austin, Texas 78751.

Persons with disabilities who wish to attend the hearing and require auxiliary aids or services should contact Provider Finance Department at (512) 730-7401 at least 72 hours in advance for appropriate arrangements.

This public rate hearing briefing packet presents proposed payment rates and is distributed at HHSC public rate hearings and posted by the proposed effective date on the HHSC website at <https://pfd.hhs.texas.gov/rate-packets>. Proposed rates may or may not be adopted, depending on HHSC management decisions after review of public comments and additional information. Provider and public notification about adoption decisions are published on the Texas Medicaid and Healthcare Partnership (TMHP) website at <http://www.tmhp.com> in banner messages, bulletins, notices, and updates to the Texas Medicaid fee schedules. The fee schedules are available in static files or online lookup at <http://public.tmhp.com/FeeSchedules>.

Preferred Communication. For quickest response please use e-mail or phone, if possible, for communication with HHSC related to this rate hearing. Persons with disabilities who wish to participate in the hearing and require auxiliary aids or services should contact Provider Finance at (512) 730-7401 at least 72 hours before the hearing so appropriate arrangements can be made.

Special Review Attachment B(1) - ASC Non-Surgical Codes (Proposed to be effective December 1, 2024)

TOS*	Procedure Code	Long Description	Modifier 1	Modifier 2	Age Range	Non-Facility (N)/ Facility (F)	Provider Type/ Provider Specialty	CURRENT		12/1/2024		Percent Change from Current Medicaid Fee
								Current Medicaid Fee	Current Adjusted Medicaid Fee	Proposed Medicaid Fee	Proposed Adjusted Medicaid Fee	
9	A4648	tissue marker, implantable, any type, each			0-20	F		Manually priced	Manually priced	Not a benefit	Not a benefit	-100.00%
9	C9359	porous purified collagen matrix bone void filler (integra mozaik osteoconductive scaffold putty, integra os osteoconductive scaffold putty), per 0.5 cc			0-999	F		\$150.09	\$150.09	Not a benefit	Not a benefit	-100.00%
9	E0616	implantable cardiac event recorder with memory, activator and programmer			0-20	F		\$2,180.91	\$2,180.91	Not a benefit	Not a benefit	-100.00%
9	E0749	osteogenesis stimulator, electrical, surgically implanted			0-999	F		\$2,786.83	\$2,786.83	Not a benefit	Not a benefit	-100.00%
9	K1030	external recharging system for battery (internal) for use with implanted cardiac contractility modulation generator, replacement only			0-999	F		\$1,374.86	\$1,374.86	Not a benefit	Not a benefit	-100.00%
9	L8614	cochlear device, includes all internal and external components			1-999	F		\$19,316.01	\$19,316.01	Not a benefit	Not a benefit	-100.00%
9	L8625	external recharging system for battery for use with cochlear implant or auditory osseointegrated device, replacement only, each			0-999	F		\$227.68	\$227.68	Not a benefit	Not a benefit	-100.00%
9	L8630	metacarpophalangeal joint implant			0-20	F		\$227.68	\$227.68	Not a benefit	Not a benefit	-100.00%
9	L8631	metacarpal phalangeal joint replacement, two or more pieces, metal (e.g., stainless steel or cobalt chrome), ceramic-like material (e.g., pyrocarbon), for surgical implantation (all sizes, includes entire system)			0-20	F		\$1,453.84	\$1,453.84	Not a benefit	Not a benefit	-100.00%
9	L8641	metatarsal joint implant			0-20	F		\$236.57	\$236.57	Not a benefit	Not a benefit	-100.00%
9	L8642	hallux implant			0-20	F		\$196.72	\$196.72	Not a benefit	Not a benefit	-100.00%
9	L8658	interphalangeal joint spacer, silicone or equal, each			0-20	F		\$206.26	\$206.26	Not a benefit	Not a benefit	-100.00%
9	L8659	interphalangeal finger joint replacement, 2 or more pieces, metal (e.g., stainless steel or cobalt chrome), ceramic-like material (e.g., pyrocarbon) for surgical implantation, any size			0-20	F		\$1,292.31	\$1,292.31	Not a benefit	Not a benefit	-100.00%
9	L8681	implantable neurostimulator electrode, each			0-999	F		\$926.72	\$926.72	Not a benefit	Not a benefit	-100.00%
9	L8682	patient programmer (external) for use with implantable programmable neurostimulator pulse generator, replacement only			0-999	F		\$5,178.47	\$5,178.47	Not a benefit	Not a benefit	-100.00%
9	L8683	implantable neurostimulator radiofrequency receiver			0-999	F		\$4,558.23	\$4,558.23	Not a benefit	Not a benefit	-100.00%
9	L8684	radiofrequency transmitter (external) for use with implantable neurostimulator radiofrequency receiver			0-999	F		\$670.64	\$670.64	Not a benefit	Not a benefit	-100.00%
9	L8685	implantable neurostimulator pulse generator, single array, rechargeable, includes extension			0-999	F		\$11,894.56	\$11,894.56	Not a benefit	Not a benefit	-100.00%

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9	L8686	implantable neurostimulator pulse generator, single array, non-rechargeable, includes extension			0-999	F		\$6,885.47	\$6,885.47	Not a benefit	Not a benefit	-100.00%
9	L8686	implantable neurostimulator pulse generator, single array, non-rechargeable, includes extension	TG		0-999	F		\$16,249.63	\$16,249.63	Not a benefit	Not a benefit	-100.00%
9	L8687	implantable neurostimulator pulse generator, single array, non-rechargeable, includes extension			0-999	F		\$14,043.32	\$14,043.32	Not a benefit	Not a benefit	-100.00%
9	L8688	implantable neurostimulator pulse generator, dual array, rechargeable, includes extension			0-999	F		\$9,831.68	\$9,831.68	Not a benefit	Not a benefit	-100.00%
9	L8689	implantable neurostimulator pulse generator, dual array, non-rechargeable, includes extension			0-999	F		\$1,498.34	\$1,498.34	Not a benefit	Not a benefit	-100.00%
9	L8690	auditory osseointegrated device, includes all internal and external components			5-999	F		\$4,338.80	\$4,338.80	Not a benefit	Not a benefit	-100.00%
9	L8691	auditory osseointegrated device, external sound processor, excludes transducer/actuator, replacement only, each			5-999	F		\$1,683.65	\$1,683.65	Not a benefit	Not a benefit	-100.00%
9	L8692	auditory osseointegrated device, external sound processor, used without osseointegration, body worn, includes headband or other means of external attachment			0-999	F		\$3,080.41	\$3,080.41	Not a benefit	Not a benefit	-100.00%
9	L8693	auditory osseointegrated device abutment, any length, replacement only			5-999	F		\$1,414.77	\$1,414.77	Not a benefit	Not a benefit	-100.00%
9	L8694	auditory osseointegrated device, transducer/actuator, replacement only, each			0-999	F		\$923.29	\$923.29	Not a benefit	Not a benefit	-100.00%
9	L8695	external recharging system for battery (external) for use with implantable neurostimulator, replacement only			0-999	F		\$11.86	\$11.86	Not a benefit	Not a benefit	-100.00%
9	Q0507	miscellaneous supply or accessory for use with an external ventricular assist device			0-999	F		Manually priced	Manually priced	Not a benefit	Not a benefit	-100.00%
9	Q0508	miscellaneous supply or accessory for use with an implanted ventricular assist device			0-999	F		Manually priced	Manually priced	Not a benefit	Not a benefit	-100.00%
9	V2790	amniotic membrane for surgical reconstruction, per procedure			0-999	F		\$517.77	\$517.77	Not a benefit	Not a benefit	-100.00%

*Type of Service (TOS)	
9	Other Medical items or services
Modifier	
TG	Vagal Nerve Stimulator
Provider Type	

** Required Notice: The five-character code included in this notice is obtained from the Current Procedural Terminology (CPT®), copyright 2024 by the American Medical Association (AMA). CPT is developed by the AMA as a listing of descriptive terms and five character identifying codes and modifiers for reporting medical services and procedures performed by physicians. The responsibility for the content of this notice is with HHSC and no endorsement by the AMA is intended or should be implied. The AMA disclaims responsibility for any consequences or liability attributable or related to any use, nonuse or interpretation of information contained in this notice. Fee schedules, relative value units, conversion factors and/or related components are not assigned by the AMA, are not part of CPT, and the AMA is not recommending their use. The AMA does not directly or indirectly practice medicine

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or dispense medical services. The AMA assumes no liability for data contained or not contained.